ALPHA GROWTH
PLC

ANNUAL REPORT

Year ended
31st December 2022

The group experienced a year of profitable expansion, characterized by substantial revenue and AUM growth, as well as the successful integration of multiple acquisitions

2022 HIGHLIGHTS

IFRS PROFIT OF £3,178,578

EARNINGS PER SHARE BASIC 0.7P PER SHARE
FULLY DILUTED 0.4P PER SHARE

LAUNCH OF FIRST LONGEVITY ASSET BASED INTERVAL FUND

- ALPHA ALTERNATIVE ASSSETS FUND (NASDAQ: AAACX)

BLACKOAK ALPHA GROWTH FUND COMPLETES THREE YEAR TRACK RECORD, ACHIEVING OVER A 27% TOTAL RETURN SINCE INCEPTION IN SEPTEMBER 2019 UP UNTIL END DECEMBER 2022

TWO SUCCESSFUL ACQUISITIONS

- ALPHA INTERNATIONAL LIFE ASSURANCE COMPANY (GUERNSEY) LTD
- HAVELET SETTLEMENT ASSIGNMENT COMPANY LTD

Contents

Company Information

Directors
Gobind Sahney
Daniel Swick (resigned 31 August 2022)
Jason Sutherland

Company Secretary
Neil Warrender

Registered Office
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London W1J 5BF

Registered Number
09734404 (England and Wales)

Broker
Allenby Capital Limited
5 St Helen's Place
London
EC3A 6AB

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

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

Principal Bankers
Barclays Bank UK Plc
Leicester
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Registrars
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Fenay Bridge
Huddersfield
HD8 0GA

Chairman's Statement

It is with great pleasure that I present the annual financial statements of Alpha Growth Plc, and I am especially pleased to announce that the company is reporting its first full year of profit.

This milestone achievement is a testament to the progress which we're making with our build and buy strategy, and it further validates our vision for the company. Our stated goal (which we refer to as our 2B plan) is to be managing over $2bn of assets under management (AUM) by 2025, and I am proud to say that we have made significant progress towards this target during 2022.

Over the past year, we have made substantial investments in our various strategies to ensure we can sustain our rapid growth. One of our most significant accomplishments throughout the year was the acquisition of Old Mutual International (Guernsey) Ltd, which we subsequently renamed Alpha International Life Assurance Company (Guernsey) Limited (AILAC). Through our 95% owned subsidiary, Northstar Group (Bermuda) Limited, we acquired 100% of the issued share capital of AILAC, which produced a gain on the acquisition.

We also acquired the entire share capital of Havelet Assignment Company Limited, a Barbados-based financial services company, which further added to our assets under administration/management. Both acquisitions are expected to contribute to our gross profits from day one.

These two acquisitions added significantly to the Group's assets under administration/ management and saw the Group make a significant step towards its current strategy to manage over $2bn of assets, once this goal is achieved, we expect the company to be generating significant and sustainable profits for our shareholders.

In addition to these acquisitions, we won a mandate to manage the Interval Fund, Alpha Alternative Assets Fund, an innovative US mutual fund invested in longevity assets that we believe has strong growth potential. While the Fund has required investment during the current year, we are confident that this investment will begin to be recovered in the near future as our marketing of the fund expands in 2023.

The team continues to explore acquisition opportunities of life insurance companies and blocks of life insurance that are accretive to the current Group companies, along with growth opportunities in the fund management space.

We remain very confident of achieving our 2B plan and see these accomplishments as another step towards building a significant business within the insurance linked asset/wealth management sector.

I would like to thank all of those who work with us, our clients and especially our shareholders who continue to support our strategies and growth for a successful future.

Gobind Sahney

29 April 2023

Board of Directors and Senior Management

Gobind Sahney, Executive Chairman

Mr. Sahney is an experienced professional in alternative asset management. In addition to Alpha Growth, he is currently Director of Alpha Longevity Management Limited, an investment management company regulated and licensed by the Financial Services Commission of the British Virgin Islands. He has been a principal of multiple entities that specialised in distressed debt and discounted assets in US, Europe, and UK totaling over $750 million. Additionally, Mr. Sahney was the Chairman of AIM listed Stratmin Global Resources plc. His involvement began with the Company's investment and turnaround which consisted of £2 million in distressed assets. As Chairman, he organised and executed the plan of turnaround through the liquidation of those assets and the identification and reverse takeover of a mining company and associated fundraise of over £6 million. He has spoken on the subject matter of distressed debt and discounted assets investing at ACA International conferences in the US and at Credit Services Association conferences in the UK. He is a graduate of Babson College, Wellesley, Massachusetts, with a Bachelors degree in accounting and finance. He served on the board of trustees of Babson College from 2001 to 2010.

Jason Sutherland, Non-Executive Director

Mr. Sutherland is the Senior Advisor for DRB Capital. He also launched the first ever AAA rated placement of mortality backed linked annuity receivables totaling $151m. Mr. Sutherland also recently ran $3bn of policies under the Lamington Road Fund in Dublin, Ireland which was acquired by Emergent Capital and ran Citadel's London office at the same time. Prior to that Mr. Sutherland spent 12 years with the Peach Holdings Group, most recently as Managing Director of Legal and operations for Peachtree Asset Management based in London and Luxembourg, where he was an FCA approved person, guiding the fundraising efforts, and coordinating with regulatory bodies in UK, US, Cayman Islands, Luxembourg and Ireland.

Directors' Report

The Directors present their report with the audited consolidated financial statements of the Group for the year ended 31 December 2022. A commentary on the business for the year is included in the Chairman's Statement on page 2. A review of the business is also included in the Strategic Report on pages 9 to 14.

The Company's Ordinary Shares are 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.

Principal Activities
The Company's principal activity is to seek acquisitions and opportunities to provide advisory services, strategies, performance monitoring and analytical services to existing and prospective holders of Senior Life Settlements (SLS) Assets, mainly through acquisition strategies, performance monitoring and analytical services. The Company will only advise on the United States SLS market.

Directors
The Directors of the Company during the period and their beneficial interest in the Ordinary Shares of the Company at 31 December 2022 were as follows:

Director	Position	Appointed	Resigned	Ordinary shares	Options
Gobind Sahney	Executive Chairman	15/08/2015	-	7,045,834	84,624,353
Daniel Swick	Chief Operating Officer	01/06/2018	31/08/22	-	24,645,665
Jason Sutherland	Non-Executive Director	06/03/2019	-	133,333	18,232,198

Qualifying Third Party Indemnity Provision
At the date of this report, the Company has a third-party indemnity policy in place for all active Directors.

Substantial shareholders
As at 19 April 2023, the total number of issued Ordinary Shares with voting rights in the Company was 451,813,531. Details of the Company's capital structure and voting rights are set out in note 12 to the financial statements.

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
M Ward	112,340,242	25%
Hargreaves Lansdown Asset Management	96,221,257	21%
Interactive Investor	30,291,084	7%
Halifax Share Dealing	20,274,833	5%
Roy Rawlins	17,600,000	4%

Directors' Report (continued)

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 20 of the financial statements.

Greenhouse Gas (GHG) Emissions/TCFD

As the Company has not consumed more than 40,000 kWh of energy in the year period, it qualifies as a low energy user under SI 2018/1155 and is not required to report on its emissions, energy consumption or energy efficiency activities. Furthermore, given the size and nature of the business the Directors consider that it is not possible to provide meaningful TCFD information as would otherwise be required under the Listing Rules. Until the Group has reached its $2bn AUM target the Directors intend to focus on growing the business whilst minimising their carbon footprint to the extent practicable and will look to build our capabilities, modelling and disclosures thereafter once acquisitions have been embedded.

At Alpha Growth, we are committed to long-term environmental sustainability and reducing our impact on biodiversity. While we are an investment management company which does not have the direct environmental impact of other industries such as manufacturing, energy, or retail businesses, we are committed to using natural resources efficiently and optimising our energy use. In this regard, we have adopted the following initiatives and programs both to increase environmental awareness among our employee base and reduce our corporate impact on natural resources where possible:

- Largely eliminating emissions from Board meetings by holding all such meetings over telepresence equipment or coordinating with other essential meetings.
- Seeking to move to a paperless environment so far as practicable.
- Largely eliminating the environmental impact of employee commuting and travel by sub-letting the office and moving fully to flexible working arrangements whilst investing in telecommuting and telepresence equipment.

As a firm, we also seek to increase the development and awareness of socially and environmentally responsible procurement, and to align with businesses that not only deliver superior quality goods and services, but also operate in ways that are respectful of the rights of their employees and in ways that preserve natural resources and promote environmental sustainability.

The Company is aware that it needs to measure its operational carbon footprint in order to limit and control its environmental impact. However, given the very limited nature of its operations during the period under review, it has not been practical to measure its carbon footprint.

In the future, the Company will only measure the impact of its direct activities, as the full impact of the entire supply chain of its suppliers cannot be measured practically.

Dividends

The Directors do not propose a dividend in respect of the year ended 31 December 2022 (2021: nil).

Directors' Report (continued)

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 on pages 9 to 14.

Corporate Governance

The Governance Report forms part of the Director's Report and is disclosed on pages 15 to 21.

Going Concern

As at 31 December 2022 the Group had a cash balance (excluding cash held in insurance businesses) of £218,530 (2021: £195,523). Alpha International Life Assurance Company ("AILAC") has cash reserves over and above those needed for regulatory capital purposes of around £1 million, of which around £200k have been used to pay Group liabilities related to the acquisitions since year end. The Group revenues, net of costs related to the operating businesses, are approximately £400,000 a quarter and the run rate for expenses is approximately £350,000 a month. The Group is currently contributing approximately £30,000 a month towards meeting the operating costs of the Interval Fund although this contribution had dropped to nil by the end of the first quarter of 2023. Accordingly, the Group is expected to be cash flow positive on its operational activities from the start of the second quarter of 2023.

In October 2022, the Company entered into a short-term loan of £350,000 with repayment due over the six months starting in March 2023. Since the year-end 18,750,000 warrants have been exercised, realising proceeds of £375,000.

The Group carefully monitors its core spend. Notwithstanding the cash outflows incurred in the first half of the year and the need to continue to support the Interval Fund in the short term, the Directors have a reasonable expectation that the Group will be able to manage its funds to continue in operational existence until the Interval Fund reaches sufficient AUM to cover its own expenses. The Group therefore continues to adopt the going concern basis in preparing the Annual Report and Financial Statements. Further details on the Directors assumption and their conclusion thereon are included in Note 2 to the financial statements. In addition, note 20 to the financial statements discloses the Company's financial risk management policy.

Auditors

The auditors 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 alongside 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 United Kingdom adopted International Accounting Standards ("UK-adopted IAS").

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 Group and Company and

Directors' Report (continued)

Statement of Directors' responsibilities (continued)

of the profit or loss of the Group and Company for that year. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies with a Standard Listing.

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 UK-adopted IAS 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 Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Remuneration Committee Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for making 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 Group's and 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 UK-adopted IAS, 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.

Directors' Report (continued)

Statement of Directors' responsibilities (continued)

Subsequent events

Subsequent events have been detailed in the Strategic Report on page 11 and note 22 to the financial statements.

This responsibility statement was approved by the Board of Directors on 29 April 2023 and is signed on its behalf by:

Signed ………………………………………………
Gobind Sahney 29 April 2023
Executive Chairman
Strategic Report

Strategic Report

The Directors present the Strategic Report of Alpha Growth Plc for the year ended 31 December 2022.

Review of Business in the Period

Operational Review
The Company's principal activity is set out in the Directors' Report on page 4.

The Company does not advise its clients or consider transacting business in an SLS Asset other than that which relates to an underlying US exposure. This is because the SLS market in the US is highly regulated. The Company will only advise on business relating to policies that are over two years old in order to avoid the statutory contestability period. The Company advises on life settlement contracts that meet the relevant fund, investment structure, criteria.

The Company signed a Heads of Terms agreement on 21 November 2018 with SL Investment Management Limited. This collaboration led to the Group's first advisory contract with the fund, BlackOak Alpha Growth Fund LP, launched in 2019. During the prior period the Group acquired a 95% interest in a Bermudan life assurance company, Providence Life and Assurance Company ("PLAC").

During the year under review, the Group acquired a 95% interest in AILAC, which is a Guernsey life assurance company with some similar characteristics to PLAC. The Group also acquired a 100% interest in Havelet Assignment Company Limited ("Havelet"), a Barbados financial services company specialising in settlement assignments. The third addition during the year was Alpha Growth Management LLC, an SEC approved investment adviser which has a mandate to manage the Interval Fund which invests in SLS Assets. All three acquisitions were made for nominal consideration and both Havelet and AILAC add to gross profits from the date of acquisition.

Business Strategy
The Company's business strategy has evolved significantly as a result of its acquisitions. Starting from a foundational skill set in the longevity asset sector, the Group is focused on insurance linked asset management through its two business segments – fund management and life insurance company holdings.

In both segments the strategy is to build assets under management and administration. The fund management business is focused on two funds, BlackOak Alpha Growth, a private fund that invests in life settlements and Alpha Alternative Assets Fund, a US registered fund that invests in securities that are backed by longevity assets such as life and structured settlements and combinations of the two.

The life insurance business provides private placement life and variable annuities and insurance wrapped/unit linked policies to an international client base and is currently focused on two insurance businesses: Providence Life Assurance Company located in Bermuda, principally focused on the US market and Alpha International Life Assurance Company located in Guernsey and principally focused on the European market.

The Company believes that the longevity asset sector is particularly attractive to investors seeking uncorrelated returns and that the business offerings of its insurance business provide tax efficient opportunities to policyholders for growth of their savings.

Strategic Report (continued)

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The success of our business is dependent on the support of all of our stakeholders. Building positive relationships with stakeholders that share our values is important to us, and working together towards shared goals assists us in delivering long-term sustainable success. The Directors make decisions on behalf of the Group with a long-term view in mind. In order to fulfil their duties, the Directors of each business and the Group itself take care to have regard to the likely consequences on all stakeholders of the decisions and actions which they take. Where possible, decisions are carefully discussed with affected groups and are therefore fully understood and supported when taken. At Group level, the Board is well informed about the views of stakeholders through the regular reporting on stakeholder views and it uses this information to assess the impact of decisions on each stakeholder group as part of its own decision-making process. Details of the Group's key stakeholders and how we engage with them are set out below.

Shareholders As owners of our Group we rely on the support of shareholders and their opinions are important to us. We have an open dialogue with our shareholders through one-to-one meetings, group meetings, webcasts and the Annual General Meeting. We retain the services of a former broker to maintain an ongoing dialogue. Discussions with shareholders cover a wide range of topics including financial performance, strategy, outlook, governance and ethical practices. Shareholder feedback is regularly reported and discussed by the Directors and their views are considered as part of decision-making.

Colleagues Whilst the Group operates with a small team of employees and consultants, those people are key to our success and we want them to be successful individually and as a team. Key areas of focus include health and well-being, development opportunities, pay and benefits.

Customers Our ambition is to deliver best-in-class service to investors. We build strong, lasting relationships with our investors and spend considerable time with them to understand their investment needs and views and listen to how we can improve our range of products and service for them. We use this knowledge to inform our decision-making, for example by acquiring businesses like PLAC, AILAC and Havelet to expand our offering.

Suppliers We build strong relationships with our suppliers to develop mutually beneficial and lasting partnerships. Engagement with suppliers is primarily through a series of interactions and informal reviews. Key areas of focus include innovation and flexibility. The Board recognises that relationships with suppliers are important to the Group's long-term success and is briefed on supplier feedback and issues on a regular basis.

Communities We seek to engage with the communities in which we operate to build trust and understand the local issues that are important to them. During the year the Chairman moved to Bermuda so as to better communicate with the community where PLAC is located.

Government and regulators We engage with the government and regulators through our representatives with a focus are compliance with laws and regulations, anti-money laundering, anti-bribery and corruption and sanctions testing. The Board is updated on legal and regulatory developments and takes these into account when considering future actions.

Further information on the ways in which the Board engages with stakeholders is set out in the Governance Report on pages 15 to 21.

Strategic Report (continued)

Events since the period end

On 20 March 2023 the Company issued 18,750,000 shares at 2p per share on exercise of certain warrants issued to the Company's former brokers. This resulted in a cash inflow of £375,000 which will be used to repay the loan referred to in Note 13 and the Company has negotiated earlier repayment terms for that loan which will likely reduce the interest charge by £4,000.

Subsequent to the year-end Credit Suisse, Silicon Valley Bank ("SVB") and Signature Bank ("Signature") announced that they were in financial difficulties. At the time of the announcement the Group had an exposure of approximately £2 million to SVB and Signature combined. Management immediately took actions to reduce the Group's exposure to those banks and subsequently both announced rescue plans which secured all deposits. The Group has not suffered any loss as a result of these events but remains vigilant to credit risk.

Financial review

Results for the 2022 period

The Group generated a profit for the year to 31 December 2022 of £3,178,578 (sixteen months to 31 December 2021: loss of £1,714,304 (restated)).

The profit for the year mainly resulted from the bargain price paid on AILAC, which was acquired for less than its net assets. This gain was partially offset as a result of on-going administrative expenses to provide service to clients and the costs of a standard listing, as well as accounting charges for employee share options. The Group is at, or close to, break-even on an operating profit basis going into 2023.

Cash flow

Net cash inflows for the year to 31 December 2022 were £23,007 (2021: inflow of £151,903).

Closing cash

As at 31 December 2022, the Group held £218,530 (2021: £195,523) in bank accounts, excluding amounts held in insurance businesses.

Key Performance Indicators

The main KPI for the Company is achieving its cash flow forecasts whilst efforts continue to implement its strategy in attaining clients for advisory services.

The Board monitors its cash flow carefully to ensure that it has the funds necessary to meet its on-going requirements. Detailed forecasts are produced and reported against on a regular basis.

Position of Company's Business

During the year
In December 2022, the Group acquired net assets totaling approximately £4 million for nominal consideration through the acquisition of two subsidiaries.

Strategic Report (continued)

Position of Company's Business (continued)

At the year end

At the year end the Group's Statement of Financial Position shows net assets totaling £6,708,435 (2021 (restated): £3,018,948). The Company earns fees for managing the activities of the subsidiaries and expects to earn sufficient revenues in the current year to make profits.

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 of environmental matters.

Employee information

At present, there are no female Directors of the Company. The Company has an Executive Chairman Officer and one Non-Executive Director. There are no employees of the Company other than the Directors.

Social/Community/Human rights matters

The Company ensures that employment practices take into account the necessary diversity requirements and compliance with all employment laws. The Board has experience in dealing with such issues and sufficient training and qualifications to ensure they meet all requirements.

Anti-corruption and anti-bribery policy

The government of the United Kingdom has issued guidelines setting out appropriate procedures for companies to follow to ensure that they are compliant with the UK Bribery Act 2010. The Company has conducted a review into its operational procedures to consider the impact of the Bribery Act 2010 and the board has adopted an anti-corruption and anti-bribery policy.

Principal Risks and Uncertainties

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 although it should be noted that this list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply.

Strategic Report (continued)

Principal Risks and Uncertainties (continued)

Risks/Uncertainties to the Company		
Issue	**Risk/Uncertainty**	**Mitigation**
Developing business model	The Company trades through its Group companies' Alpha Longevity Management Ltd. Alpha Growth Management LLC and Alpha Group (Bermuda) Limited, however revenues were less than the expenses incurred. The Company borrowed £350,000 from an affiliate of the Company Secretary, during the year, to finance these losses and to cover the operational costs of the Interval Fund.	The management team is experienced in the industry with many contacts. The acquisition of AILAC has provided the Group with the cash resources to repay the loan, whilst the profitability of both AILAC and PLAC should ensure the Group is able to settle operating costs when due. The recruitment of a new marketing executive is aimed at growing the AUM of Black Oak Growth Fund and the Interval Fund which should ensure the Group is both profitable and cash flow positive in 2023.
The Company may face significant competition for advisory opportunities	There may be significant competition for some or all of the advisory opportunities that the Company may explore. Such competition may come from direct competitors offering similar services or from public and private investment funds many of which may have extensive internal experience in managing longevity assets and/or SLS strategies and portfolios.	While some competitors may have greater financial resources, the Company will be able to provide a more personal approach to its clients and with greater retention rates than other potential competitors. The acquisition of AILAC and Havelet together with acquiring the mandate for the Interval Fund will enhance the competitiveness of the Group and also provide diversification in revenue streams.
Loss of key personnel	The Company comprises a few key individuals. Any unforeseen loss of these key personnel would be damaging to the Company.	The Company has a continuity program in place to ensure that Directors would be able to minimise the disruption of the loss of key personnel. During the year one of the Directors left but has been quickly replaced by someone with a more appropriate skillset and the Group is already starting to see benefits. Share options incentivise the Directors and other key staff to stay and grow the Company.
The Company may be subject to foreign exchange risks	The Company's functional and presentational currency is pounds sterling. As a result, the Company's financial statements will carry the Company's assets in sterling. Where the Company conducts business in USD it exposes itself to foreign exchange risk.	Many of the Company's costs are in USD and therefore any impact on revenues from a fall in the value of the USD will largely be offset by reductions in costs. It is not considered practical to hedge the Company's exposure to USD through its investment in PLAC.
The Company may be subject to changes in regulation affecting its services and the SLS Asset class	The SLS Asset class in the United States is highly regulated and will likely continue to be the focus of increasing regulatory oversight. Compliance with various laws and regulations does impose compliance costs and restrictions on the Company, with fines and/or sanctions for non-compliance.	The Company monitors legislative and regulatory changes and alters its business practices where appropriate. In the event that the Company becomes subject to specific regulation regarding its activities, the Company will put in place such procedures as are necessary to ensure it complies with such regulation.

Strategic Report (continued)

Principal Risks and Uncertainties (continued)

Risks/Uncertainties to the Company		
Issue	**Risk/Uncertainty**	**Mitigation**
The Company relies on the experience and talent of its senior management and on its ability to recruit and retain key employees	The successful management and operations of the Company are reliant upon the contributions of senior management and directors. In addition, the Company's future success depends in part on its ability to continue to recruit, motivate and retain highly experienced and qualified management and directors.	The Company has offered incentives to Directors and key staff through participation in share option schemes, which makes them linked to the long term success of the business.
Inability to raise emergency funding	In the event of a significant issue arising for which the Company is required to access substantial liquid funds in excess of its available cash balances, it may not be easy to obtain additional funds as and when required.	The Company monitors its cash requirements carefully and in the need of significant additional funds would look to increase its financing. The Company has demonstrated its ability to source short term funding by obtaining a loan through the Company Secretary's contacts.

Composition of the Board

A full analysis of the Board, its function, composition and policies, is included in the Governance Report.

Capital structure

The Company's capital consists of ordinary shares, which rank pari passu in all respects, and which are traded on the Standard segment of the Main Market of the London Stock Exchange. There are no restrictions on the transfer of securities in the Company or restrictions on voting rights and none of the Company's shares are owned or controlled by employee share schemes. There are no arrangements in place between shareholders that are known to the Company that may restrict voting rights, restrict the transfer of securities, result in the appointment or replacement of Directors, amend the Company's Articles of Association or restrict the powers of the Company's Directors, including in relation to the issuing or buying back by the Company of its shares or any significant agreements to which the Company is a party that take effect after or terminate upon, a change of control of the Company following a takeover bid or arrangements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that may occur because of a takeover bid.

Signed ………………………………………………
Gobind Sahney 29 April 2023
Chairman

Governance Report

Introduction

The Company recognises the importance of, and is committed to, high standards of Corporate Governance. Whilst the Company is not formally required to comply with the UK Corporate Governance Code, the Company has voluntarily applied the requirements of the UK Code of Corporate Governance published in 2018 (the Code). The following sections explain how the Company has applied the Code:

Compliance with the UK Code of Corporate Governance

The UK Corporate Governance Code, as published by the Financial Reporting Council, is the corporate governance regime for England and Wales. The Company has stated that, to the extent practicable for a company of its size and nature, it follows the UK Corporate Governance Code. The Directors are aware that there are currently certain provisions of the UK Corporate Governance Code that the Company is not in compliance with, given the size and early stage nature of the Company. These include:

- Section 4.24 of the Code requires that a majority of the members of the Audit Committee must be independent. The Audit Committee comprises of only one Non-Executive Director as the Company has been focussed on its acquisition and marketing activities and has been unable to identify another Non-Executive Director. The Directors consider the present composition to be adequate given the size of the Company and volume of transactions.

- The Code requires that a smaller company should have at least two Independent Non-Executive Directors. The Board currently consists of one Executive Director and one Non -Executive Director. The Non-Executive Director is interested in ordinary shares in the Company and cannot therefore be considered fully independent under the Code. However, the Non-executive Director is considered to be independent in character and judgement and the Company considers that one Non-Executive Director is adequate given the size and stage of development of the Company. The Company intends to strengthen the Board in due course.

- As a consequence of the above, where provisions of the Code require the appointment of independent directors, for example as chairman or as senior independent director, the Company is not in full compliance with the Code – this applies in relation to various provisions of the Code. However, the Directors consider the present structure and arrangements to be adequate given the size and stage of development of the Company.

- The roles of Chairman and Chief Executive are undertaken by the same individual. This is outside the principles of 2.9 of the Corporate Governance Code applicable to smaller companies, which requires that these roles should not be exercised by the same individual. However, the Directors consider the present structure and arrangements to be adequate given the size and stage of development of the Company.

- There is currently no formal induction for directors joining the Board. This is outside the principles of the Corporate Governance Code, which requires that the Chairman should ensure that new Directors receive a full, formal and tailored induction on joining the Board. As set out in page 19, an informal induction is considered sufficient given the size and limited complexity of the Company as well as the experience of the one Director who has joined since the Company's shares were listed.

Governance Report (continued)

Compliance with the UK Code of Corporate Governance (continued)

- The Nomination Committee is made up of one Executive Director. This is outside the principals of the Corporate Governance Code, which requires that a majority of members should be independent Non-Executive Directors. The Directors consider the present structure and arrangements to be adequate given the size and stage of development of the Company.

- The Remuneration Committee comprises just one Non-Executive Director whereas the Corporate Governance Code requires a minimum of two members. The Directors consider the present structure and arrangements to be adequate given the size and stage of development of the Company.

The UK Corporate Governance Code can be found at www.frc.org.uk

Set out below are Alpha Growth Plc's corporate governance practices for the year ended 31 December 2022.

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 ad-hoc meetings of the Board. These meetings are timed to link to key events in the Company's development and regular reviews of the business are conducted. During the year, the Board met on three occasions. Outside the formal 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. Where Directors have concerns which cannot be resolved about the running of the company, or a proposed action, they will ensure that their concerns are recorded in the Board minutes.

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;

Governance Report (continued)

- Management structure including succession planning, appointments and remuneration; material acquisitions and disposals, 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.

Certain other matters are delegated to the Board Committees, namely the Audit, Nomination and Remuneration Committees.

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 joint venture with SL Investment Management and the identification of suitable investment opportunities for the Company to pursue.

Attendance at meetings:

Member	Position	Meetings attended
Gobind Sahney	Executive Chairman	3 of 3
Daniel Swick	Chief Operating Officer	1 of 3
Jason Sutherland	Non-Executive Director	3 of 3

The Board is pleased with the high level of attendance and participation of Directors at Board and committee meetings, with Danny Swick's non-attendance being at meetings dated after his departure. Attendance at Committee meetings is detailed in the respective Committee reports.

The Chairman, Gobind Sahney, sets the Board Agenda and ensures adequate time for discussion.

Directors appointed by the Board are subject to election by shareholders at the Annual General Meeting of the Company following their appointment and thereafter are subject to re-election in accordance with the Company's articles of association.

Non-Executive Director - The Non-Executive Director brings a broad range of business and commercial experience to the Company and has 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 12 months, which may, subject to satisfactory performance and re-election by shareholders, be extended by mutual agreement.

The terms and conditions of appointment of Non-Executive Directors will be made available upon written request.

Governance Report (continued)

Remuneration Committee

The Company has established a Remuneration Committee, the sole member of which at present is the Non-Executive Director; Jason Sutherland, to assist the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Group's policy on executive remuneration, including setting the over-arching principles, parameters and governance framework of the Company's remuneration policy and determining the individual remuneration and benefits package of each of the executive Directors and the Company Secretary. The Remuneration Committee also ensures compliance with the UK Corporate Governance Code in relation to remuneration wherever possible.

The report of the Remuneration Committee is included in this annual report. Formal terms of reference for the Remuneration Committee have been documented and are made available for review at the AGM.

Audit Committee

The Company has established an Audit Committee with delegated duties and responsibilities, the sole member of which, during the year was the Non-Executive Director; Jason Sutherland. The Company is looking to identify an additional Non-Executive Director but those efforts have been hindered by pressing matters of business such as the integration of new subsidiaries. The Audit Committee is responsible, amongst other things, for making recommendations to the Board on the appointment of auditors and the audit fee, monitoring and reviewing the integrity of the Company's financial statements and any formal announcements on the Company's financial performance as well as reports from the Company's auditor on those financial statements. In addition, the Audit Committee will review the Company's internal financial control and risk management systems to assist the Board in fulfilling its responsibilities relating to the effectiveness of those systems, including an evaluation of the capabilities of such systems in light of the expected requirements for any specific acquisition target.

The Audit Committee meets at least twice a year and more frequently if required.

Terms of reference of the Audit Committee will be made available upon written request.

The Audit Committee report is included on pages 30 to 31.

Nominations Committee

The Company has established a Nominations Committee, the sole member of which at the present time is the Executive Chairman. The Nominations Committee meets as required to fulfil its duties of reviewing the Board structure and composition and identifying and nominating candidates to fill Board vacancies as they arise.

Terms of reference of the Nominations Committee will be made available upon written request.

The Nominations Committee report is included on page 32.

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.

Governance Report (continued)

The Company Secretary - The Company Secretary is Neil Warrender who is responsible for the Board complying with UK procedures.

Effectiveness

For the year under review the Board comprised of an Executive Chairman, the former Chief Operating Officer (until 31 August 2022) and one Non-Executive Director. 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. The Executive Chairman is actively looking to increase Board representation.

Independence - The Non-Executive Director brings a broad range of business and commercial experience to the Company. The Board considers the Non-Executive Director to be independent in character and judgement.

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

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 informal induction as soon as practical on joining the Board. No formal induction process exists for new Directors, given the size of the Company, but the Chairman ensures that each individual is given a tailored introduction to the Company and fully understands the requirements of the role.

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 – The Executive Chairman normally carries out an annual formal appraisal of the performance of the other Executive Directors which takes into account the objectives set in the previous year and the individual's performance in the fulfilment of these objectives. All the appraisals of the Executive Directors are provided to the Remuneration Committee. The Non-Executive Directors are responsible for the performance evaluation of the Chairman, taking into account the views of Executive Directors.

Although the Board consisted of three male Directors, the Board supports diversity in the Boardroom and the Financial Reporting Council's aims to encourage such diversity. Aside from the Directors, there are no employees in the Company. The following table sets out a breakdown by gender at 31 December 2022.:

	Male	Female
Directors	2	-

Governance Report (continued)

The Board will pursue an equal opportunity policy and seek to employ those persons most suitable to delivering value for the Company.

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. The Board has made appropriate arrangements for the application of risk management and internal control principles. The Board has delegated to the Audit Committee oversight of the relationship with the Company's auditors as outlined in the Audit Committee report on pages 30 to 31.

Going concern – The preparation of the 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 is expected to have sufficient revenue to cover costs and the Group is expected to be able to repay the short-term loan from cash held in AILAC and/or the exercise of warrants. If there are delays in increasing the AUM of the Interval Fund, the Company may need to raise additional funds in order to meet its working capital needs during the going concern period depending on, the extent to which warrants in issue are exercised and whether the regulatory capital requirements on AILAC and PLAC increase.

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 consider sufficient funds will be available to ensure the Company continues to meet its obligations as they fall due for a period of at least one year from the 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.

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, compliance 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.

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

The report of the Remuneration Committee is included in this annual report. Formal terms of reference for the Remuneration Committee have been documented and are made available for review at the AGM.

Governance Report (continued)

Shareholder relations

Communication and dialogue – Open and transparent communication with shareholders is given high priority and there is regular dialogue with both retail and 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. 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.

Principles for Responsible Investing – during the prior period the Company became a PRI signatory https://www.unpri.org/signatories/signatory-resources/signatory-directory

This Governance Report was approved by the Board and signed on its behalf by:

……………………
Jason Sutherland
Non-Executive Director
29 April 2023

Remuneration Committee Report

The Remuneration Committee presents its report for the year ended 31 December 2022.

Membership of the Remuneration Committee

The Remuneration Committee during the year comprised of one Non-Executive Director; Jason Sutherland. The Company is looking to recruit a further Non-Executive Director but those efforts have been hampered by the time spent integrating new acquisitions as well as the departure of the Chief Operating Officer.

During the year ended 31 December 2022, the Remuneration Committee held two formal meetings attended by the sole committee member.

Subject to what appears below, no other third parties have provided advice that materially assisted the Remuneration Committee during the period.

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

Remuneration Committee's main responsibilities

- The Remuneration Committee considers the remuneration policy, employment terms and remuneration of the Executive Directors;

- The Remuneration Committee's role is advisory in nature and it makes recommendations to the Board on the overall remuneration packages for Executive Directors in order to attract, retain and motivate high quality executives capable of achieving the Company's objectives;

- The Board's policy is to remunerate the Company's executives fairly and in such a manner as to facilitate the recruitment, retention and motivation of suitably qualified personnel; and

- The Remuneration Committee, when considering the remuneration packages of the Company's executives, will review the policies of comparable companies in the industry.

Report Approval

A resolution to approve this report will be proposed at the AGM of the Company. The vote will have advisory status, will be in respect of the remuneration policy and overall remuneration packages and will not be specific to individual levels of remuneration.

Remuneration policy

The Remuneration Policy was approved by shareholders by approval of the prior period's Remuneration Report at the AGM on 20th June 2022. To facilitate the reading of the policy which follows, out of date references have been removed.

Remuneration Committee Report (continued)

Remuneration Policy Table:

Fixed Elements	Purpose and link to strategy	Operations	Maximum potential payments	Performance Metrics
Base Salary	Reflects the individual's skills, responsibilities and experience. Supports the recruitment and retention of Executive Directors and employees of the calibre required to deliver the business strategy within the financial services market.	Reviewed annually and paid monthly in cash or shares. Consideration is typically given to a range of factors when determining salary levels, including: • Personal and Company-wide performance. • Typical pay levels in relevant markets for each executive whilst recognising the need for an appropriate premium to attract and retain superior talent, balanced against the need to provide a cost- effective overall remuneration package.	There is no maximum salary increase. However, ordinarily salary increases will be in line with the average increase awarded to other employees in the Company. Increases may be made above this level to take account of individual circumstances, which may include: Increase in size or scope of the role or responsibility. Increase to reflect the individual's development and performance in role	None, although overall individual and business performance is considered when setting and reviewing salaries.
Variable Elements	**Purpose and link to strategy**	**Operations**	**Maximum potential payments**	**Performance Metrics**
Annual Bonus Scheme (Bonus)	Incentivises executives and colleagues to achieve key strategic outcomes on an annual basis. Focus on key financial metrics and objectives to deliver the business strategy.	Measures and targets are set annually based on business plans at the start of the financial year and pay- out levels are determined by the Committee following the year end based on performance against objectives. Paid once the results have been audited. Annual bonus calculations that are based on the financial results for the year are reviewed by the Audit Committee before consideration by the Committee. The Committee has the discretion to amend the bonus pay-out should any formulaic assessment of performance not reflect a balanced view of overall business performance for the year. The bonus is delivered in cash.	The maximum bonus opportunity for any Executive Director will not exceed 200% of base salary and will be paid at the discretion of the Committee. This Bonus may be combined with any other incentives the business provides the Employee.	Performance measures and targets are set by the Committee each year based on corporate objectives closely linked to the strategic priorities and individual contributions. The majority of the bonus opportunity will be based on the corporate and financial measures. The remainder of the bonus will be based on performance against individual objectives. Up to 20% of the maximum opportunity will be received for threshold performance.

Long Term Bonus Scheme (LT Bonus), Share Option and Deferred Share Award Plan (DSA)	Incentivises executives and colleagues to achieve key strategic outcomes on an annual basis and to deliver shareholder value over the long term. Focus on the share price and key financial metrics and objectives to deliver the business strategy. The element focused on shareholder value rewards delivery of outcomes that deliver long term growth in the value of the Company's shares. The element compulsorily deferred into shares, rewards delivery of sustained long-term performance, provides alignment with the shareholder experience and supports the retention of executives.	Measures and targets are set annually or on a case by case basis, based on business plans at the start of the financial year or project, and pay- out levels are determined by the Committee at the onset or following the year end based on the project or performance against objectives. Paid once Committee is satisfied that targets have been met. The Committee has the discretion to amend the bonus pay-out should any formulaic assessment of performance is deficient of the objective and there is a mutual understanding with the employee. A long-term bonus may be delivered in the form of a Deferred Share Award, which confers unto the employee certain number of shares as agreed to with committee. Once delivered, the DSA is recorded in the company's accounts. Dividends are paid to participants on the deferred shares during the deferral period. Share options are issued annually to reflect the anticipated ability of the executive to drive shareholder value going forward,	The maximum bonus opportunity for any Executive Director will not exceed 200% of salary. Increases above the current opportunities, up to the maximum limit, may be made to take account of individual circumstances, which may include: Increase in size or scope of the role or responsibility. Increase to reflect the individual's development and performance in their role. The maximum number of awards under the employee share option scheme is 10% of the shares in issue at the end of the financial period for which options are issued. Options will be exercisable at the average share price in the three months immediately preceding the award.	Performance measures and targets are set by the Committee each year based on corporate objectives closely linked to the strategic priorities and individual contributions. The majority of the bonus opportunity will be based on the corporate and financial measures or as defined between the Committee and the employee for specific project. The remainder of the bonus will be based on performance against individual objectives. Up to 20% of the maximum opportunity will be received for threshold performance. The option pool will be allocated to the team based on their ability to drive shareholder value.

The treatment of shares awarded under the DSA and options awarded under the share option plan on termination, are set out below:

	Good leaver	Mutual agreement	Resignation without reason/misconduct	Change of control
DSA	Injury, ill health, disability or transfer of undertakings. Awards release in full at the leaving date. For other good leaver reasons awards release at the end of the deferral period.	Committee has the right to exercise its discretion as to the extent to which awards, if any, may release, for example where someone is asked to leave because of a change in circumstances outside of their control.	Awards lapse.	Awards release in full at effective date of change.

Remuneration Committee Report (continued)

The Directors' remuneration policy was approved as part of the Directors' Remuneration Report by 97.43% of voting shareholders at the 2022 AGM.

Non-Executive Directors

The table below summarises the main elements of remuneration for Non-Executive Directors:

Component	Approach of the Company
Non-executive fees	The Board determines the fees of the Non-Executive Directors and sets the fees at a level that is considered to be appropriate, taking into account the size and complexity of the business and the expected time commitment and contribution of the role. Fees may be paid in cash or in shares or a combination of both following discussion between the Executive Chairman and the Non-Executive Director. Fees are structured as a basic fee with additional fees payable for membership and/or chairmanship of a committee or other additional responsibilities.
Share options	Share options may be awarded to Non-Executive Directors where they make a significant contribution towards the Group making an acquisition.
Benefits	Additional benefits may also be provided in certain circumstances, if required for business purposes.

Application of remuneration policy

The chart below provides an indication of the level of remuneration that would be received by each Employee under the following three assumed performance scenarios:

Below threshold performance	Fixed elements of remuneration only – base salary, benefits and pension or in the discretion of the Committee
On-target performance	Assumes 50% pay-out under the Bonus Assumes 100% pay-out under the LT Bonus
Maximum performance	Assumes 100% pay-out under the Bonus Assumes 100% pay-out under the LT Bonus

Service contracts and loss of office Executive Directors and Employees

Executive Directors have rolling service contracts that provide for 12 months' notice on either side. There are no special provisions that apply in the event of a change of control.

A payment in lieu of notice, including base salary, contractual benefits and contractual provision for an income in retirement may be made if:

- the Company terminates the employment of the executive with immediate effect, or without due notice; or
- termination is agreed by mutual consent.

The Company may also make a payment in respect of outplacement costs, legal fees and the cost of any settlement agreement where appropriate.

Remuneration Committee Report (continued)

With the exception of termination for cause or resignation, Executive Directors will be eligible for a bonus award prorated to reflect the proportion of the financial year for which they were employed and subject to performance achieved, provided they have a minimum of three months' service in the bonus year.

Legacy plans

The Committee may make any remuneration payments and payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the policy set out above. This would apply where the terms of the payment were agreed before the policy came into effect or at a time when the relevant individual was not a director or employee of the Company and the payment was not in consideration for the individual becoming a director or employee of the Company.

Malus and clawback

Malus is the possible reduction of bonuses and deferred awards or cancellation of share options, whilst clawback is the possible recovery of awards that have already been made to executives. Deferred awards under the DSA and share option awards may be reduced or cancelled at the Committee's discretion in such cases as material misstatement of results, gross misconduct or fraud.

Recruitment

The Committee already has in place a recruitment and selection process. The process is set up chronologically, from the time that the job becomes open for recruitment to the date the position is filled. The Committee and the Company as a whole is committed to employ, in its best judgment, suitable candidates for approved positions while engaging in recruitment and selection processes that are in compliance with all applicable employment laws. It is the policy of the Company to provide equal employment opportunity for employment to all applicants and employees. The recruitment and selection process is based on the following underlying principles:

- The applicant will be chosen on the basis of suitability with respect to the position.
- The applicant will be informed on the application procedure and the details of the vacant position.
- The Company will request that the applicant provide only the information that is needed to assess suitability for the position.
- The applicant will provide the Company with information it needs to form an accurate picture of the applicant's suitability for the vacant position.
- The information provided by the applicant will be treated confidentially and with due care; the applicant's privacy will also be respected in other matters.
- If an applicant submits a written complaint to the Committee, the Committee will investigate and respond to the complaint in writing.

Maximum Potential Payment

The maximum potential individual payment (excluding any potential gains on share options) assuming all threshold and maximum performance met is 400% of the individual's base salary on top of their base salary annual amount. There are no specific performance targets in place.

Remuneration Committee Report (continued)

Consideration of Shareholders Views

The views of our shareholders are always important to the Board, hence why the policy is to be formally approved by shareholders at the next available General Meeting. We also welcome shareholders views, where appropriate, at any time during the year, which can be submitted to the Board at info@algwplc.com.

This feedback, plus any additional feedback received from time to time, is considered as part of the Company's annual policy on remuneration.

Other Employees

At present there are no other employees in the Company other than the Directors, so this policy only applies to the Board.

Terms of appointment

The services of the Directors are 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**
Gobind Sahney	2015	7	20/12/2017
Jason Sutherland	2019	3	06/03/2019

The Directors' service agreements are available for review on request.

Policy for new appointments

Base salary levels will take into account market data for the relevant role, internal relativities, the 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.

Remuneration Committee Report (continued)

Directors' emoluments and compensation (audited)

Set out below are the emoluments of the Directors for the year ended 31 December 2022 (GBP):

Name of Director	Salary and fees	Taxable benefits	Annual bonus and long term benefits	Pension related benefits	Other	Total
Gobind Sahney	171,554	-	245,152	-	-	416,706
Daniel Swick (resigned)	97,364	-	-	-	-	97,364
Jason Sutherland	48,000	-	78,800	-	-	126,800

Set out below are the emoluments of the Directors for the sixteen-month period ended 31 December 2021 (GBP):

Name of Director	Salary and fees	Taxable benefits	Annual bonus and long term benefits	Pension related benefits	Bonus	Total
Gobind Sahney	168,013	-	287,251	-	15,424	470,688
Daniel Swick	162.434	-	120,938	-	15,043	298,415
Jason Sutherland	80,000 (restated)	-	45,328	-	4,000	129,328

The long term benefits represent the estimated cost to the Company (see note 19) of options awarded to the Directors in recognition of their level of contribution to the Company's advancement, participation, and other factors considered by the Remuneration Committee

Mr Sutherland's remuneration for the prior year has been amended to include his right to receive a payment in shares at £2,000 per month since 1 January 2020 that was not previously recognised.

Pension contributions (audited)

The Company does not currently 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.

Payments to past directors (audited)

The Company has not paid any compensation to past Directors other than that to Danny Swick as detailed above.

Payments for loss of office (audited)

No payments were made for loss of office during the year.

Remuneration Committee Report (continued)

UK Remuneration percentage changes

No percentage changes for remuneration have been set out in this report as the prior period numbers cover a sixteen-month period, include options covering the period since inception and include a Director who resigned in the current year and therefore the Directors consider that such percentages would be misleading.

UK 10-year performance graph

The Directors have considered the requirement for a UK 10-year performance graph comparing the Company's Total Shareholder Return with that of a comparable indicator. The Directors do not currently consider that including the graph will be meaningful because the Company has only been listed since 2017, is not paying dividends and the Group's one year of profitability was a result of a bargain purchase. Accordingly, we do not consider the inclusion of this graph to be useful to shareholders at the current time. The Directors will review the inclusion of this table for future reports.

UK 10-year CEO table and UK percentage change table

The Directors have considered the requirement for a UK 10-year CEO table. The Directors do not currently consider that including these tables would be meaningful given that the Company has only been trading for a little over three years. The Directors will review the inclusion of this table for future reports.

Relative importance of spend on pay

The Directors have considered the requirement to present information on the relative importance of spend on pay compared to shareholder dividends paid. Given that the Company does not currently pay dividends we have not considered it necessary to include such information.

UK Directors' shares (audited)

The interests of the Directors who served during the year in the share capital of the Company at 31 December 2022 and at the date of this report has been set out in the Directors' Report on page 4.

Other matters

The Company has issued five-year options to the Directors and other key members of staff, which are exercisable at the share price on the date of issue. These options serve to incentivise the Directors to continue to generate shareholder value.

Approved on behalf of the Board of Directors.

……………………
Jason Sutherland
Non-Executive Director
29 April 2023

Audit Committee Report

The Audit Committee during the year comprised the sole Non-Executive Director, Jason Sutherland. It oversees the Company's financial reporting and internal controls and provides a formal reporting link with the external auditors. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly report remains with the Board.

Main Responsibilities

The Audit Committee acts as a preparatory body for discharging the Board's responsibilities in a wide range of financial matters by:

- monitoring the integrity of the financial statements and formal announcements relating to the Company's financial performance;
- reviewing significant financial reporting issues, accounting policies and disclosures in financial reports, which are considered to be in accordance with the key audit matters identified by the external auditors;
- overseeing that an effective system of internal control and risk management systems are maintained;
- ensuring that an effective whistle-blowing, anti-fraud and bribery procedures are in place;
- overseeing the Board's relationship with the external auditor and, where appropriate, the selection of new external auditors;
- monitoring the statutory audit of the annual financial statements, in particular, its performance, taking into account any findings and conclusions by the competent authority;
- approving non-audit services provided by the external auditor, or any other accounting firm, ensuring the independence and objectivity of the external auditors is safeguarded when appointing them to conduct non-audit services; and
- ensuring compliance with legal requirements, accounting standards and the Listing Rules and the Disclosure and Transparency Rules.

Governance

The Code requires that at least one member of the Audit Committee has recent and relevant financial experience. The Audit Committee does not include anyone with relevant financial experience but the Company Secretary is a qualified Chartered Accountant who has been involved in the production of accounts for listed companies for over 15 years and therefore is able to advise the Audit Committee as required.

Members of the Audit Committee are appointed by the Board and whilst shareholders, the Company believes they are considered to be independent in both character and judgement.

The Company's external auditor is PKF Littlejohn LLP and the Audit Committee closely monitors the level of audit and non-audit services they provide to the Company.

Audit Committee Report (continued)

Meetings

In the year to 31 December 2022 the Audit Committee had one formal meeting with the auditors attended by Jason Sutherland as the sole committee member.

The key work undertaken by the Audit Committee is as follows;

- interview of external auditors and recommendation to the Board
- review of audit planning and update on relevant accounting developments;
- consideration and approval of the risk management framework, appropriateness of key performance indicators;
- consideration and review of full-year results;
- review of the effectiveness of the Audit Committee; and
- review of internal controls

The Code states that the Audit Committee should have primary responsibility for making a recommendation on the appointment, reappointment or removal of the external auditor.

External auditor

The Company's external auditor is PKF Littlejohn LLP. The external auditor has unrestricted access to the Audit Committee Chairman. The Committee is satisfied that PKF Littlejohn LLP has adequate policies and safeguards in place to ensure that auditor objectivity and independence are maintained. The external auditors report to the Audit Committee annually on their independence from the Company. In accordance with professional standards, the partner responsible for the audit is changed every five years. The current auditor, PKF Littlejohn LLP was first appointed by the Company in 2018 following a tender process. The current partner took over during the prior period and is due to rotate off the engagement after completing the December 2025 audit. Having assessed the performance objectivity and independence of the auditors, the Committee will be recommending the reappointment of PKF Littlejohn LLP as auditors to the Company at the 2023 Annual General Meeting.

Jason Sutherland
Chairman of the Audit Committee
29 April 2023

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Nomination Committee Report

The Nomination Committee is comprised of the Executive Chairman Gobind Sahney.

The Committee considers potential candidates for appointment to the Company's board who maintain the highest standards of corporate governance and have sufficient time to commit to the role.

Nomination committee evaluation
The Nomination Committee evaluates the composition, skills, and diversity of the board and its committees and identifies a requirement for a board appointment. There were no new appointments during the year and no meetings..

Identify suitable candidates
The Nomination Committee undertakes a review of each candidate and their experience in accordance with the Company's 'director's profile' and suitable candidates are identified.

For the appointment of a Chairman, the Nomination Committee will prepare a job specification, including an assessment of the time commitment expected, recognising the need for availability in the event of crises.

Nomination committee recommendation
Following interviews with a candidate conducted by the chairman, and other members of the board, the Nomination Committee makes a recommendation on a preferred candidate to the board.

Due diligence
After a candidate has been recommended to the board by the Nomination Committee, the Company Secretary undertakes appropriate background checks on a candidate. The board of directors meets any candidate recommended by the Nomination Committee and the candidate is given an opportunity to make a presentation to the board prior to deciding on their appointment.

Board appointment
The board formally approves a candidate's appointment to the board.

Approach to Diversity
The Nomination Committee believes in the benefits of diversity, including the need for diversity in order to effectively represent shareholders' interests. This diversity is not restricted to gender but also includes geographic location, nationality, skills, age, educational and professional background. The board's policy remains that selection should be based on the best person for the role.

On Behalf of the Nomination Committee

Gobind Sahney
Chairman
29 April 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALPHA GROWTH PLC

Opinion

We have audited the financial statements of Alpha Growth Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- confirmation of any post period end share issuances and review of post period end regulatory news service announcements;
- review of budgets and forecasts, including challenging any key assumptions;
- discussion with management to understand the strategy for the business going forward and assess the coherence of budgets and forecasts with this strategy;
- review of contracts or agreements in place that may result in revenue generation for the group in future periods;

- conducting a sensitivity analysis of the group's forecast cash flow position and considering the appropriateness of the disclosures and notes to the financial statements and the director's report; and
- review of the availability of further funding is required.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the entities reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' report in the financial statements about whether the director's considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing, and extent of our audit procedures.

Group materiality was set at £137,200 (2021: £113,600), based on 3% of net assets. Using the net assets as a basis of setting materiality was determined to be most suitable because the capital position is the focus of management and other stakeholders, consistent with the nature of the group's business at this stage in its lifecycle. We compared this with similar businesses and noted this to be a consistent approach. In the previous period, 3% of net assets was used in calculating group materiality.

Group performance materiality was set at £96,040 (2021: £79,250), based on 70% of group materiality, which was determined to be sufficient in providing a margin of safety to ensure the risk of the aggregated misstatements, both detected and undetected, are sufficiently low. This also considered the heightened risk involved in the audit because of the acquisitions made in the year.

Parent company materiality was set at £18,776 (2021: £32,600), based on 2% of expenses. In the previous period, the parent company materiality used the same basis and percentage. We have used expenses as the basis for parent company materiality as the parent is not revenue generating and is mainly cost-driven, consistent with it being a holding company of the group. Parent company performance materiality was set at £15,021 (2021: £26,080), based on 80% of parent company materiality. The level of parent company performance materiality was determined considering the low risk involved in the audit of the parent company and because there were no issues noted in the audit of the parent company, historically.

Furthermore, we agreed with the Audit Committee that we would report to the committee all unadjusted differences identified within the group and parent company during our audit in excess of £6,860 (2021: £5,680), and £1,630 (2021: £939), respectively. We also reported misstatements below this level that warranted reporting on qualitative grounds. This represents 5% of overall materiality.

Materiality was reassessed at the closing stages of the audit and no amendments were required to the calculated level of materiality set at the planning stage of the audit for both the group and parent company.

Our approach to the audit

As part of designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. Consistent with last year, we performed a full-scope audit on the parent entity, focusing on areas involving significant accounting estimates and judgements by the directors and considering future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud. During the year, the group acquired Alpha International Life Assurance Company Ltd. ("AILAC") and Havelet Assignment Company Ltd. ("Havelet"). AILAC, as well as one of the group's existing subsidiaries, Providence Life Assurance Company (Bermuda) Ltd. ("PLAC"), are in-scope of our audit based on the entities' significance to the group. Thus, we have performed a detailed review of the component auditors' working papers for these components to ensure that the audits have been performed in line with the relevant standards and applicable regulations, and in line with the referral instructions we sent them. Havelet was considered financially insignificant based on group materiality; however, we have identified significant balances within this entity. Thus, we have performed a review of the component auditor's working papers with respect to the specific significant balances to ensure that the audit has been performed in line with the relevant standards.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	**How our scope addressed this matter**
Valuation of liabilities in insurance business	
The valuation of the liabilities held in insurance business, represents the single biggest area of judgement for the business. These liabilities are borne from the numerous types of investment contract written by the group's subsidiaries, the valuation of which involves the use of judgement and estimation to value, specifically: • non-unit expense reserves, requiring the use of judgement in selecting forward-looking expense assumptions; • reserves for claims which have been incurred but not reported as at the year end ('IBNR'); and	Our work in this area included a review of the component auditors' files to ensure that their work was performed in line with our referral instructions and confirm they have performed sufficient procedures, including: • using an actuarial specialist to review management's key assumptions used to calculate the liabilities in insurance business and reviewing management's methodology for reasonableness and consistency with prior periods; • challenging management's methodology and assumptions and reviewing the workpapers relating to this work;

• deferred acquisition cost assets related to these contracts. (Refer to **notes** 2(o) and 14 **for further details**)	• testing the material accuracy and completeness of data used in the calculation of the liabilities in insurance business; and • evaluating management's accounting policy for valuing these contracts and assessing the disclosures against the requirements of the UK-adopted international accounting standards. We obtained sufficient assurance that the methodology and assumptions used in the valuation of liabilities in insurance business are appropriate, based on the performance of the procedures above.
Valuation of intangible assets on acquisition of AILAC and acquisition accounting	
Acquisition accounting under IFRS 3 *Business Combinations* requires an acquiring entity to recognise the identifiable assets acquired and the liabilities assumed and ascertain their fair values. The acquisition of AILAC during the period represents a significant transaction for the group. Intangible assets may arise on the acquisition of AILAC and there is both judgement and complexity around their initial recognition. There is also complexity around the calculation of any gain on acquisition or goodwill recognised, as well as the resultant disclosures. (Refer to note 15 for further details)	Our work in this area included: • reviewing the sale and purchase agreement between the group and the seller of AILAC to ensure the acquisition accounting accurately reflects the terms of the agreement; • reviewing and challenging management's acquisition accounting against the requirements of IFRS 3; • reviewing and challenging the appropriateness and valuation of any intangible assets recognised as part of the acquisition and whether any resultant impairment assessment is consistent with IAS 36 *Impairment of Assets*; and • checking whether the disclosures in the financial statements are complete and adequate. We obtained sufficient assurance that the acquisition accounting was appropriate, based on the performance of the procedures above.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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.

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate governance statement

We have reviewed the director's report in relation to going concern and that part of the Governance Report relating to the group's and parent company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Governance Report is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 6;
- Directors' explanation as to their assessment of the group's prospects, the period this assessment covers and why the period is appropriate set out on page 6;
- Directors' statement on whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities set out on page 6;
- Directors' statement that they consider the annual report and the financial statements, taken as a whole, to be fair, balanced and understandable set out on pages 6 and 7;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 13 and 14;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 20; and
- The section describing the work of the audit committee set out on pages 30 and 31.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with the group's management, industry research, review of Board minutes and RNSs and application of cumulative audit experience of the sector.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from the Companies Act 2006, the Listing Rules and the UK Corporate Governance Code.

- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of Board minutes, review of legal and regulatory correspondence and review of legal fees.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered the susceptibility of the financial statements to material misstatement with respect to management override, including the possibility of occurrence of fraud.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias such as impairment of investments in subsidiaries, impairment of goodwill or intangibles and the valuation of liabilities in insurance business; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- We reviewed the audit files of the component auditors, placing greater focus on the areas addressing fraud and non-compliance with laws and regulations locally as well as compliance with the applicable UK laws and regulations. We reviewed the component auditors' audit procedures on the identified key audit matters, management override and their assessment of each entities' compliance with local laws and regulations via review discussions with management and review of the audit file.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Other matters which we are required to address

We were appointed by the audit committee on 5 March 2021 to audit the financial statements for the period ending 31 December 2022. Our total uninterrupted period of engagement is five years, covering the periods ended 31 August 2018, 31 August 2019, 31 August 2020, 31 December 2021 and 31 December 2022.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of 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.

M. R. Watson

Martin Watson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

29 April 2023

Consolidated Statement of Comprehensive Income

	Note	Year ended 31 December 2022 £	16 mths ended 31 December 2021 (restated) £
Revenue from Owned Insurance Companies	14	3,424,875	2,290,948
Revenue from Contracts with Clients	3	346,787	354,224
Total revenue		3,771,662	2,645,172
Net movement on DAC/AVIF		(16,729)	27,355
Interest expense and investment costs		(27,838)	(8,306)
Bargain purchase	15	4,106,000	-
Expenses in managing owned insurance companies		(2,336,898)	(1,639,167)
Operating expenses	4	(2,403,021)	(2,768,978)
Profit/(loss) before taxation		**3,093,176**	**(1,743,924)**
Taxation	6	85,402	29,620
Profit/(loss) for the period		**3,178,578**	**(1,714,304)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on foreign operations		192,270	-
Total comprehensive income/(loss)		**3,370,848**	**(1,714,304)**
Attributable to:			
Owners of the Company		3,178,359	(1,702,811)
Non-controlling Interests		192,489	(11,493)
		3,370,848	**(1,714,304)**
Earnings per share from continuing operations attributable to the equity owners			
Basic earnings per share (pence)	7	**0.7p**	**(0.5p)**
Fully diluted earnings per share (pence)	7	**0.4p**	**N/A**

All results derive from continuing operations.

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

Consolidated Statement of Financial Position

	Note	As at 31 December 2022 £	As at 31 December 2021 (restated) £
Assets			
Intangible fixed asset	9	939,955	864,821
Right of use assets	23	183,672	262,117
Annuity contracts	24	7,063,374	-
Total assets in insurance business	14	454,303,995	209,251,676
Trade and other receivables	10	453,266	273,564
Cash and cash equivalents	11	218,530	195,523
Total assets		**463,162,792**	**210,847,701**
Equity and liabilities			
Equity attributable to shareholders			
Share capital	12	431,887	431,887
Share premium	12	5,388,152	5,404,313
Option reserve	12	815,474	480,674
Share based payment reserve	12	113,390	113,390
Foreign exchange reserve	12	182,748	-
Retained deficit		(505,314)	(3,500,925)
Total equity attributable to shareholders		6,426,337	2,929,339
Non-controlling interests		282,098	89,609
Total equity		**6,708,435**	**3,018,948**
Liabilities			
Lease liabilities		238,483	269,110
Total liabilities in insurance business	14	447,956,125	207,449,925
Structured settlements		7,063,374	-
Trade and other payables	13	1,196,375	109,718
Total liabilities		**456,454,357**	**207,828,753**
Total equity and liabilities		**463,162,792**	**210,847,701**

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 29 April 2023 and signed on its behalf by:

……………………….
Gobind Sahney
Chairman
Company Registration Number: 09734404

Company Statement of Financial Position

	Note	As at 31 December 2022 £	As at 31 December 2021 (restated) £
Assets			
Investment in subsidiaries	8	2,932,219	2,935,819
Right of use assets	23	183,672	262,117
Trade and other receivables	10	952,119	369,891
Cash and cash equivalents	11	9,751	109,558
Total assets		**4,077,761**	**3,677,385**
Equity and liabilities			
Equity attributable to shareholders			
Share capital	12	431,887	431,887
Share premium	12	5,388,152	5,404,313
Option reserve	12	815,474	480,674
Share based payment reserve	12	113,390	113,390
Retained deficit		(3,539,660)	(3,178,915)
Total equity		**3,209,243**	**3,251,349**
Liabilities			
Lease liabilities		238,483	269,110
Trade and other payables	13	630,035	156,926
Total liabilities		**868,518**	**426,036**
Total equity and liabilities		**4,077,761**	**3,677,385**

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

The company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the parent company Statement of Comprehensive Income.

The loss for the parent company for the period was £360,745 (2021: £1,384,336 (restated)).

This report was approved by the board and authorised for issue on 29 April 2023 and signed on its behalf by:

………………………………
Gobind Sahney
Chairman
Company Registration Number: 09734404

Consolidated Statement of Changes in Equity

	Share Capital £	Share Premium £	Option reserve £	Share-based payment reserve £	Foreign Exchange Reserve £	Retained Deficit £	Total Attributable to Shareholders £	Non-Controlling Interests £	Total £
Balance at 1 September 2020	205,102	1,789,744	-	-	-	(1,798,114)	196,732	-	196,732
Loss for the period as originally stated	-	-	-		-	(1,654,811)	(1,654,811)	(11,493)	(1,666,304)
Prior year adjustment	-	-	-	-	-	(48,000)	(48,000)	-	(48,000)
Total comprehensive loss for the period (restated)	-	-	-	-	-	(1,702,811)	(1,702,811)	(11,493)	(1,714,304)
Share issue	226,785	4,082,730	-	(9,515)	-	-	4,300,000	-	4,300,000
Share issue costs	-	(468,161)	-	122,905	-	-	(345,256)	-	(345,256)
Employee share options issued	-	-	480,674	-	-	-	480,674	-	480,674
Non-controlling interests acquired	-	-	-	-	-	-	-	101,102	101,102
Balance at 31 December 2021	**431,887**	**5,404,313**	**480,674**	**113,390**	**-**	**(3,500,925)**	**2,929,339**	**89,609**	**3,018,948**
Profit for the year	-	-	-	-	-	2,995,611	2,995,611	182,967	3,178,578
Foreign exchange gain on conversion of subsidiary	-	-	-	-	182,748	-	182,748	9,522	192,270
Total comprehensive income for the year	-	-	-	-	182,748	2,995,611	3,178,359	192,489	3,370,848
Share issue costs	-	(16,161)	-	-	-	-	(16,161)	-	(16,161)
Employee share options issued	-	-	334,800	-	-	-	334,800		334,800
Balance at 31 December 2022	**431,887**	**5,388,152**	**815,474**	**113,390**	**182,748**	**(505,314)**	**6,426,337**	**282,098**	**6,708,435**

See notes below parent company statement of changes in equity for explanation as to the reserves. The notes form an integral part of these financial statements

Company Statement of Changes in Equity

	Share capital £	Share premium £	Option reserve £	Share based payment reserve £	Retained deficit £	Total £
Balance as at 1 September 2020	205,102	1,789,744	-	-	(1,794,579)	200,267
Loss for the period as originally stated	-	-	-	-	(1,336,336)	(1,336.336)
Prior year adjustment					(48,000)	(48,000)
Total comprehensive loss for the period	-	-		-	(1,384.336)	(1,384,336)
Share issue	226,785	4,082,730	-	(9,515)	-	4,300,000
Share issue costs	-	(468,161)	-	122,905	-	(345,256)
Options issued	-	-	480,674	-	-	480,674
Balance as at 31 December 2021	431,887	5,404,313	480,674	113,390	(3,178,915)	3,251,349
Loss for the period	-	-	-	-	(360,745)	(360,745)
Total comprehensive loss for the period	-	-	-	-	(360,745)	(360,745)
Options issued	-	-	334,800	-	-	334,800
Share issue costs	-	(16,161)	-	-	-	(16,161)
Balance as at 31 December 2022	**431,887**	**5,388,152**	**815,474**	**113,390**	**(3,539,660)**	**3,209,243**

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.
Option reserve represents the fair value of employee options at the time of issue
Share based payment reserve represents the value of equity settled share-based payments provided to third parties for services provided.
Foreign exchange reserve represents foreign exchange movements arising on the conversion of the net assets of subsidiaries whose accounts are prepared in currencies other than sterling.
Retained deficit represents the cumulative retained losses of the Company at the reporting date.
Non-controlling interests represents the amount of equity in subsidiaries attributable to minority interests

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

Consolidated Statement of Cash Flows

	Note	Year ended 31 December 2022 £	16 mths ended 31 December 2021 (restated) £
Cash flow from operating activities			
Profit/(loss) before interest and taxation		3,121,014	(1,687,618)
Adjustments for:			
Services settled by way of payment in shares/options		334,800	480,674
Amortisation of intangible assets and right of use assets		116,699	72,873
Changes in working capital			
Increase in trade and other receivables		(179,702)	(28,439)
Increase in non-tax net assets in insurance company		(4,460,717)	(1,772,131)
Increase/(decrease) in trade and other payables		726,657	(30,294)
Net cash used in operating activities		**(341,249)**	**(2,964,935)**
Cash flows from investing activity			
Acquisition of intangible asset		(113,387)	(903,075)
Acquisition of subsidiary (net of cash acquired)		193,493	-
Acquisition of non-controlling interest		-	101,102
Net cash generated from/(used in) investment activity		**80,106**	**(801,973)**
Cash flows from financing activities			
Repayment of leasing liabilities		(30,626)	(27,627)
Interest paid on leasing liabilities and loans		(19,063)	(8,306)
Loan finance		350,000	-
Net proceeds from issuance of shares net of issue costs		(16,161)	3,954,744
Net cash generated from financing activities		**284,150**	**3,918,811**
Increase in cash and cash equivalents		**23,007**	**151,903**
Cash and cash equivalents at beginning of period		**195,523**	**43,620**
Cash and cash equivalents at end of period	**11**	**218,530**	**195,523**

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

Company Statement of Cash Flows

	Note	Year ended 31 December 2022 £	16 mths ended 31 December 2021 £
Cash flow from operating activities			
Loss before taxation and interest		(337,000)	(1,328,030)
Adjustments for:			
Services settled by way of payment in shares/options		334,800	480,674
Amortisation of right of use asset		78,445	34,619
Changes in working capital			
Increase in trade and other receivables		(582,228)	(121,233)
Increase/(decrease) in trade and other payables		113,108	(24,245)
Net cash used in operating activities		**(392,875)**	**(958,215)**
Cash flows from investing activity			
Proceeds from disposal of subsidiary undertaking		3,600	-
Investment in subsidiary undertakings		-	(2,894,658)
Net cash generated from/(used in) investing activities		**3,600**	**(2,894,658)**
Cash flows from financing activities			
Repayment of leasing liabilities		(30,626)	(27,627)
Interest on leasing liabilities		(13,745)	(8,306)
Loan finance		350,000	-
Net proceeds from issuance of shares net of issue costs		(16,161)	3,954,744
Net cash generated from financing activities		**289,468**	**3,918,811**
(Decrease)/increase in cash and cash equivalents		**(99,807)**	**65,938**
Cash and cash equivalents at beginning of period		**109,558**	**43,620**
Cash and cash equivalents at end of period	**11**	**9,751**	**109,558**

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

Notes to the Financial Statements

1. General Information

Alpha Growth Plc (the 'Company') is incorporated and domiciled in England and Wales as a public limited company and operates from its registered office at 35 Berkeley Square, London W1J 5BF, and is listed on the London Stock Exchange on the standard segment.

These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (the "Group").

The Company's principal activity is to seek acquisitions and opportunities to provide advisory services, strategies, performance monitoring and analytical services to existing and prospective holders of Senior Life Settlements (SLS) Assets, mainly through acquisition strategies, performance monitoring and analytical services. The Company will only advise on the United States SLS market. Although the vast majority of the assets and liabilities of the Group comprise those in insurance businesses, the Directors have chosen not to prepare the consolidated financial statements on the basis that Alpha Growth plc is an insurance group. This is because the purpose of acquiring assets is to facilitate growth in advisory fees by being able to offer appropriate solutions to a wider audience of potential investors and customers. The consolidated and company statements of financial position are presented broadly in order of liquidity.

The financial statements are prepared to the nearest £.

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 consolidated and parent company financial statements of Alpha Growth Plc have been prepared in accordance with UK-adopted International Accounting Standards.

The financial statements have been prepared under the historical cost convention.

b) Comparative Information

The Company changed its year-end during the prior period from 31 August to 31 December in order to make its year-end coterminous with that of PLAC, which was the most significant entity in the Group in terms of gross assets and operating revenues. As a result these accounts show comparative results for a sixteen month period whereas the current period is for a twelve month period and therefore is not directly comparable.

The prior year numbers have been adjusted to reflect the following information that came to light during the current year and has a material impact on the prior year.

The first is Mr Sutherland being entitled to receive £2,000 monthly in additional director's fees since 1 January 2020 due to be paid in shares. This has resulted in a £48,000 increase in prior year losses for the Group and Company with a £48,000 increase in trade and other payables.

The second is that the subsidiary, Alpha Longevity Management Ltd, has issued unpaid share capital of $50,000 rather than the $1 previously reported. This has resulted in an increase of £41,159 in the cost of investments on the Company Statement of Financial Position and an increase of £41,159 in trade and other payables. There is no impact on the consolidated numbers.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

c) New Standards and Interpretations

No new Standards or Interpretations have been adopted in these financial statements.

Standards not yet applied
At the date of authorisation of these financial statements, the following relevant Standards and Interpretations, which have not been applied in these financial statements, were in issue but not yet effective (and in some cases have not yet been adopted by the UK Endorsement Board):

Standard/Interpretation	*Subject*	*Period first applies (year ended)*
IFRS 17 (including the June 2020 and December 2021 amendments)	Insurance contracts	31 December 2023
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate	31 December 2023
Amendments to IAS 1	Classification of Liabilities	31 December 2023
Amendments to IAS 1 and IFRS Practice Statement 2	Accounting policies disclosure	31 December 2023
Amendments to IAS 8	Definition of Accounting Estimates	31 December 2023
Amendments to IAS 12	Deferred Tax	31 December 2023

The Group has yet to quantify the impact of these new standards but does not expect them to have a material impact on the Group in future periods.

d) Going Concern

The preparation of the 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 Group revenues mainly comprise policy charges and premiums on life assurance policies issued by PLAC and AILAC together with a share of management fees earned from Black Oak Alpha Growth Fund ("BOAGF"). The PLAC and AILAC revenues are partly used to service the life policies but the board of PLAC and AILAC have respectively agreed to pay $75,000 and £300,000 a quarter to Alpha Group (Bermuda) Ltd to cover support from head office. The Group's share of management fees from BOAGF for 2023 is projected to be circa £50,000 a quarter. Operating costs, excluding those already reflected in the fees payable by PLAC and AILAC are projected to be £350,000 a quarter in addition to which the Group is currently contributing around £80,000 a quarter to the operating costs of the Interval Fund. This means that the Group as an operating business is running a small cash deficit currently, but the Directors expect the Interval Fund to start generating revenues by Q3 2023, which will result in cash flows turning positive. Under all foreseeable scenarios, the cash surplus in AILAC together with the cash received on exercise of warrants since the year end will be sufficient to enable the Group to meet its working capital needs during the going concern period, being 12 months for the date of signing the financial statement,

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

d) Going Concern (continued)

In making their assessment of going concern, the Directors acknowledge that the Group has a very small cost base and can therefore confirm that they consider sufficient funds will be available to ensure the Group continues to meet its obligations they fall due for a period of at least one year from the 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.

e) Basis of Consolidation

Subsidiaries are all entities over which the group has control, either directly or indirectly through other subsidiaries. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

These consolidated financial statements include the results of the Company and its subsidiaries. Of the results for the year losses of £360,745 (2021: £1,384,336) were incurred by the Company.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated.

The only subsidiaries that are required to and/or have produced financial statements are PLAC, AILAC, Havelet and Alpha Longevity Ltd. AILAC and Havelet were acquired in late November 2022 with both sets of accounts being prepared for the year to 31 December 2022. Revenues and expenses are incorporated on a pro-rata basis from the date of acquisition although in the case of AILAC an adjustment has been made to reflect the fact that under the terms of the sale and purchase agreement, the Group benefits from all net revenues after 31 July 2022.

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f) Foreign Currency Translation

i) Functional and Presentation Currency

The financial statements are presented in Pounds Sterling (£), which is the Group's functional and presentational currency.

Notes to the Financial Statements (continued)

2) Summary of Significant Accounting Policies (continued

e) Foreign Currency Translation (continued)

ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

iii) Group Companies

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) The assets and liabilities for each statement of financial position presented are converted using the rates in effect at the date of the statement of financial position;

ii) The income and expenses for each statement of comprehensive income presented are converted using the average rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

iii) All resulting exchange differences are recognised in other comprehensive income and are transferred to the income statement upon disposal of these companies.

iv) Movements resulting from converting the opening equity attributable to subsidiaries at the current year exchange rate are reported as a foreign exchange reserve in the statement of changes in equity

g) Financial Instruments

i) Initial recognition

A financial asset or financial liability is recognised in the statement of financial position of the group when it arises or when the group becomes part of the contractual terms of the financial instrument.

ii) Classification

a) Financial assets at amortised cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

- the asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms of the financial asset generating cash flows at specified dates only pertain to capital and interest payments on the balance of the initial capital.

Financial assets which are measured at amortised cost, using the Effective Interest Rate Method (EIR) and are subject to impairment where there is significant uncertainty as to the timing and

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

g) Financial Instruments (continued)

a) Financial assets at amortised cost (continued)

likelihood of recovery due to credit risks. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired

b) Financial liabilities at amortised cost

Financial liabilities measured at amortised cost using the effective interest rate method include trade and other payables that are short term in nature. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate ("EIR"). The EIR amortisation is included as finance costs in profit or loss. Trade payables other payables are non-interest bearing and are stated at amortised cost using the effective interest method

c) Financial assets and liabilities at fair value through profit and loss

Assets held in insurance business include investment contracts which transfer financial risk of the financial assets held within those contracts to the Group. The financial assets are recorded at fair value, as are the offsetting unit-linked liabilities held in liabilities in insurance business. Movements in fair value are recognised in profit and loss but will offset each other.

Annuity contracts comprise both deferred variable and fixed annuity contract financial assets, which are held to meet structured settlement obligations accepted by the Group. The fair value of fixed annuity contracts is derived from the sum of the remaining annuity payments, discounted to present value using US treasury discount rates. The fair value of deferred variable annuity contracts is derived from the quoted market prices of the investments underlying each deferred variable annuity.

Structured settlements represent periodic payment obligations accepted by the Group on deferred contingent attorney fees, class action, single event plaintiff attorneys and law firms. The fair value of structured settlements is based on the discounted value of future payment obligations.

iii) Derecognition

A financial asset is derecognised when:

The rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has undertaken the commitment to fully pay the cash flows received without significant delay to a third party under an arrangement and has either (a) transferred substantially all the risks and the assets of the asset or (b) has neither transferred nor held substantially all the risks and estimates of the asset but has transferred the control of the asset.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

h) Revenue from Contracts with Clients

Revenue from contracts with clients represents management fees and investment contract fees earned by the Group and is recognised on an accruals basis when earned.

i) 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.

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.

j) Segmental Reporting

At this point, identifying and assessing investment projects is the only activity the Group is involved in and is therefore considered as the only operating/reportable segment. The Group has to date implemented five such investment projects, namely the launching of Black Oak Alpha Growth Fund plus the Interval Fund and the acquisitions of PLAC, AILAC and Havelet.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

j) Segmental Reporting (continued)

The financial information of the single segment is therefore the same as that set out in the statements of comprehensive income, statements of financial position, the statements of changes to equity and the statements of cashflows.

k) Share based payments

The Group has applied the requirements of IFRS 2 Share-based payments to the extent that warrants or options have been issued for services rather than to shareholders in relation to share subscriptions.

The cost of employees share options has been calculated using a Black Scholes model and is recognised in the statement of comprehensive income in the period in which the options are issued. The corresponding credit is recognised as an option reserve.

In addition to the above the Company when placing shares through its Broker has granted the Broker warrants to subscribe for additional shares at a future date. The fair value, calculated using a Black-Scholes model in the absence of any clearly delineated service and determined at the grant date of the warrants is credited to share based payment reserves with an offsetting reduction in the share premium account to reflect the cost to the Company of the share issue. On exercise of the warrants, the share-based payment reserve has been reversed with an offsetting increase in the share premium account.

Details of outstanding warrants and employee options and the inputs to the models used to calculate fair value can be found in notes 18 and 19.

l) 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 market risk, interest rate risk, foreign exchange risk, credit risk, liquidity risk and capital risk management. Further details on the risk disclosures can be found in Note 20.

m) Equity

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

n) 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)

2. Summary of Significant Accounting Policies (continued)

o) Accounting for insurance contracts and investment contracts in owned insurance business

Insurance and investment contracts classification
The policy holders own contracts that transfer insurance risk or financial risk, or both.

Insurance contracts are those that transfer significant insurance risk. Such contracts may also transfer financial risk. As a general guidance, the Group defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur. In all cases the insurance risk is reinsured such that the net amount of life assurance risk that the Group has on each contract is US $100,000.

Investment contracts are those contracts significant financial risk with no significant insurance risk. All insurance contracts issued by the Group are accounted for as investment contracts and are accordingly referred to as such.

Revenue recognition
For investment contracts, amounts collected as "premiums" are not included in the income statement. They are reported as deposits in the balance sheet (under investment contract assets).

Claims
"Claims" under investment contracts are not reflected in the income statement. They are deducted from investment contract liabilities in the balance sheet.

Provisions for liabilities
Investment contracts consist of unit-linked contracts. Unit-linked liabilities are determined by reference to the value of the underlying matched assets with a non-unit linked reserve for known future liabilities relating to those investment contracts.

p) Intangible assets

The present value of acquired in-force business (AVIF) arises on the acquisition of portfolios of investment and insurance contracts, either directly or through the acquisition of a subsidiary. It represents the net present value of the expected pre-tax cash flows of the contracts which existed at the date of acquisition and is amortised over the remaining lifetime of those contracts. The amortisation is recognised in the statement of comprehensive income and is calculated on a systematic basis to reflect the pattern of emergence of profits from the acquired contracts. Amortisation is stated net of any unwind of the discount rate.

The estimated lifetime of the acquired contracts ranges from 7 to 27 years.

The value of the acquired AVIF is assessed annually for impairment and any impairment is recognised in full in the statement of comprehensive income in the year it is identified.

q) Leased assets

Identification of leased assets
For any new contracts entered into, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

q) Leased assets (continued)

definition the Group assesses whether the contract meets three key evaluations which are whether:

i) the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
ii) the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Group has the right to direct the use of the identified asset throughout the period of use.

The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases
At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

r) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in conformity with UK-adopted IAS 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 made by management that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial statements for the year ended 31 December 2022 are discussed below:

Assets and liabilities in insurance business

These assets and liabilities principally comprise investment contracts written by the Group, whose fair value is dependent upon the fair value of the underlying financial assets. The liabilities are determined by reference to the value of the underlying matched assets with a non-unit linked reserve for known future liabilities relating to those investment contracts, for example relating to future expenses. The fair value of the underlying financial assets which is £422,843,781 (2021: 200,535,301) and the valuation of non-unit reserves which is £466,811 (2021: 409,275) both require estimates to be made.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

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

The judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial statements for the year ended 31 December 2022 are discussed below:

Acquisition of subsidiary

During the year the Group acquired an insurance subsidiary which has gross assets which are higher than those of the rest of the Group combined. When accounting for the acquisition of AILAC, management is required to make an assessment of the fair value of the assets and liabilities acquired at the date of acquisition. This assessment was based on the audited accounts of AILAC at 31 December 2022, adjusted to reflect movements reported in AILAC's management accounts for the month of December 2022. The assessment of those fair values is subject to significant uncertainties and judgements.

Determination of gain on bargain purchases

AILAC was acquired for nominal consideration, notwithstanding that at the date of acquisition it had significant net assets on the balance sheet. The gain on the bargain price acquisition, being the difference between the fair value of net assets acquired and the acquisition cost, represents an amount that the sellers were prepared to forego in order to reduce their risks, administrative and regulatory obligations in the future. As the risks are unable to be quantified with any certainty and relate to potential future events, the true gain on the bargain purchase is subject to significant uncertainties.

Employee share options

During the period the Company awarded a number of employee share options to the Directors and senior management. The value of these options has been reported as an expense in the profit and loss account with a corresponding credit to the option reserve. The value of these options has been calculated using a Black-Scholes model with a volatility adjustment applied to reflect the fact that the Company has a limited trading history. The amount of the discount is subject to a significant amount of judgement and a reduction in that discount would materially impact the stated value of the options.

Recoverability of Interval Fund Expenses

Group "Trade and other receivables" includes an amount of £192,346 (2021: £35,814) in respect of amounts paid under an expense cap agreement together with other organisational costs incurred in respect of the Interval Fund. The recovery of these amounts is dependent on whether the assets under management of the Interval Fund are to grow sufficiently such that the expense ratio of that fund falls below a target level. Whilst the Directors believe that the Interval Fund is likely to attract significant investment such that these amounts will be recovered in the upcoming twelve months, there remain significant uncertainties as to whether this will be the case. If these expenses are not recoverable the Group's net assets would be lower by £192,346 and there will be a commensurate charge in the Statement of Comprehensive Income.

Notes to the Financial Statements (continued)

3. Revenue and Cost of Sales

Revenue and cost of sales relates to the two business activities of fund management and owned insurance businesses. All revenues except £246,583 (2021: £nil) are from the one geographical area of North America with AILAC related revenues being from Europe.

4. Expenses by Nature

	Group 2022	Company 2022	Group 2021 (restated)	Company 2021 (restated)
	£	£	£	£
Directors' fees (Note 17)	640,870	640,870	898,431	898,431
Audit fees payable to Company auditors	62,570	62,570	43,850	43,850
Other audit fees	173,525	-	65,055	-
Costs relating to acquisitions	158,942	-	60,389	60,389
Amortisation of right of use assets	78,445	78,445	34,619	34,619
Amortisation of intangible assets	38,254	-	38,254	-
Professional and consultancy fees	151,899	151,899	67,700	61,158
Other expenses	1,098,516	348,572	1,560,680	378,718
Operating expenses	2,403,021	1,282,356	2,768,978	1,477,165

5. Auditors' remuneration

	Group 2022	Company 2022	Group 2021	Company 2021
	£	£	£	£
Fees payable to the Company's current auditor for the audit of the Company's annual accounts:	62,570	62,570	43,850	43,850
Fees payable to the Company's current auditor for non-audit services:	-	-	14,900	14,900

6. Income tax

Analysis of tax credit in the year

	Group 2022	Company 2022	Group 2021(rest)	Company 2021 (rest)
	£	£	£	£
Current tax	-	-	-	-
Deferred tax	85,402	-	29,620	-
Income tax	85,402	-	29,620	-

Notes to the Financial Statements (continued)

6. **Income tax (continued)**

Factors affecting the tax credit for the year are as follows:

Profit/(loss) on ordinary activities before tax	3,093,176	(360,745)	(1,743,924)	(1,384,336)
Analysis of charge in the year				
(Profit)/loss on ordinary activities multiplied by rate of corporation tax in the UK of 19% (2021: 19%)	(587,703)	68,542	331,346	263,024
Bargain purchase not subject to tax	780,140	-		
Expenses not deductible for tax purposes	(38,830)	(337)	(128,364)	(89,662)
Tax losses carried forward	(68,205)	(68,205)	(173,362)	(173,362)
Deferred credit tax for the year	85,402	-	29,620	-

The Group has accumulated tax losses of approximately £3,600,000 (2021: £3,150,000 (restated)) that are available, under current legislation, to be carried forward indefinitely against future profits.

A deferred tax asset has not been recognised in respect of the losses of the Company due to the uncertainty of future profits. The amount of the deferred tax asset not recognised is approximately £684,000 (2021: £483,000 (restated)). A deferred tax asset of £508,000 (2021: £378,000) has been recognised in the assets of the insurance business relating to deferred acquisition costs.

7. **Earnings per share**

The calculation of the basic earnings per share is calculated by dividing the profit for the year from continuing operations of £3,178,578 (2021: loss £1,666,304) for the Group by the weighted average number of ordinary shares in issue during the year of 431,887,388 (2021: 354,487,424). For diluted earnings per share the number of shares in issue is calculated assuming all the options (137m) and warrants (206m) have been exercised.

	2022	2021
	£	£
Profit/(loss) for the year from continuing operations	3,178,578	(1,714,304)
Weighted average number of shares in issue	431,887,388	354,478,424
Fully diluted average number of shares in issue	777,100,388	N/A[1]
Basic earnings per share	0.7p	(0.5p)
Fully diluted earnings per share	0.4p	N/A

Potential dilutive shares are detailed in notes 18 and 19.

[1]Since the Group made a loss in 2021, there is no reported dilution for that period.

Notes to the Financial Statements (continued)

8. Investments in group undertakings

	Company £ (restated)
Shares in group undertakings:	
Opening balance	2,935,819
Disposals in the year	(3,600)
Closing balance	**2,932,219**

Investment in group undertakings are recorded at cost, which is the fair value of the consideration paid.

Principal subsidiaries

The group's subsidiaries at 31 December 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name	Registered office	Ownership* 2022	Ownership* 2021
Alpha Longevity Management Limited	British Virgin Islands	100%	100%
Pacific Longevity Ltd	Republic of Ireland	100%	100%
Alpha Group (Bermuda) Ltd	Bermuda	100%	100%
Havelet Assignment Company Limited	Barbados	100%	0%
Alpha Growth Management Inc	United States	N/A	100%
Alpha Growth Management LLC	United States	100%	0%
Northstar Group (Bermuda) Ltd	Bermuda	95%	95%
Providence Life Assurance Company Ltd	Bermuda	95%	95%
Alpha International Life Assurance Co Ltd	Guernsey	95%	0%

*All ownership interests are directly held by the Company except that both PLAC and AILAC are held through the Company's interest in Northstar Group and Havelet is held through Alpha Group (Bermuda) Ltd.

Alpha Growth Management Inc was struck off during the year, since the original plans for the entity were superseded when the Group acquired Alpha Growth Management LLC. Pacific Longevity Limited was in the process of being voluntarily struck off at the year end and this process has now been completed.

The registered office of Alpha Longevity Management Limited is at Sea Meadow House, PO Box 116, Road Town, Tortola, VG1110, BVI.

The registered office of Alpha Group (Bermuda) Ltd, Northstar Group (Bermuda) Ltd and Providence Life Assurance Company Ltd is at Atlantic House, 11 Par-la-Ville Road, Hamilton, HM11, Bermuda,

The registered office of Alpha Growth Management LLC is at 500 Newport Center Drive, Suite 680, Newport Beach, California 93660, USA.

The registered office of AILAC is at Albert House, South Esplanade, St Peter Port, Guernsey, GY1 1AW.

Notes to the Financial Statements (continued)

8. Investments in group undertakings

The registered office of Havelet is at 1st Floor. Limegrove Centre, Holetown, St James, Barbados, W.I.

All subsidiaries are included in the consolidation and share the same principal activity except PLAC and AILAC which have been acquired with a view to facilitating the activities of the rest of the Group.

The Company remains a member of BOAGF GP, LLC, with a 50% interest. There has been no activity in this entity during the period.

9. Intangible assets - Group

	AVIF £	Rights £	Goodwill £	Total £
Cost				
At 1 January 2022	765,070	-	138,005	903,075
Additions	-	113,388	-	113,388
At 31 December 2022	765,070	113,388	138,005	1,016,463
Amortisation/Impairment				
At 1 January 2022	38,254	-	-	38,254
Charge for the period	38,254	-	-	38,254
At 31 December 2022	76,508	-	-	76,508
Net book amount				
At 31 December 2022	688,562	113,388	138,005	939,955
A 31 December 2021	726,816	-	138,005	864,821

10. Trade and other receivables

	Group As at 31 December 2022 £	Company As at 31 December 2022 £	Group As at 31 December 2021 £	Company As at 31 December 2021 £
Trade debtors	21,168	500,000	-	-
Other receivables	21,492	21,492	20,818	20,818
Loans	237,919	354,807	140,742	292,577
Prepayments and accrued income	172,687	75,820	112,004	56,496
	453,266	**952,119**	**273,564**	**369,891**

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.

The loans due are interest free, unsecured and repayable on demand.

Notes to the Financial Statements (continued)

11. Cash and cash equivalents

	Group As at 31 December 2022 £	Company As at 31 December 2022 £	Group As at 31 December 2021 £	Company As at 31 December 2021 £
Cash at bank	218,530	9,751	195,523	109,558
	218,530	**9,751**	**195,523**	**109,558**

The Directors consider the carrying amount of cash and cash equivalents approximates to their fair value.

12. Share capital

Shares

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.

	Number of Ordinary Shares of £0.001 each		Share Capital £	Share Premium £	SBP Reserve £
	Authorised	**Called up**			
As at 31 December 2021	904,664,388	431,887,388	431,887	5,404,313	113,390
Share issue costs	-		-	(16,161)	-
At 31 December 2022	904,664,388	431,887,388	431,887	5,388,152	113,390

Of the authorised share capital 343,213,000 ordinary shares are reserved for issue under options and warrants, See notes 18 and 19 for the terms on which those shares can be issued.

13. Trade and other payables

	Group As at 31 December 2022 £	Company As at 31 December 2022 £	Group As at 31 December 2021 £ (rest)	Company As at 31 December 2021 £ (rest)
Current liabilities				
Trade payables	401,711	42,525	-	-
Short term loan	350,000	350,000		
Intergroup liabilities	-	41,685	-	47,445
Accruals	444,644	195,825	109,718	109,481
	1,196,375	**630,035**	**109,718**	**156,926**

The short-term loan is repayable as to £250,000 on 31 March 2023 and then five equal month instalments of £25,000 making total repayments of £375,000 including interest.

Notes to the Financial Statements (continued)

14. **Insurance company disclosures**

The financial assets and liabilities in the table below and falling within the scope of IFRS 9: Financial Instruments. Disclosures have, where indicated, been classified as at fair value through profit and loss (and are designated as such on initial recognition), available for sale or other. Debtors that are past due have been reduced for impairment losses where applicable.

Consolidated balance sheet for insurance companies

	At 31 Dec 2022 £	**At 31 Dec 2021 £**
Investments at fair value through profit and loss		
- Financial instruments held to back unit linked liabilities	422,843,781	200,535,301
Cash and cash equivalents in insurance business	9,412,650	522,307
Investments in insurance business	345,836	410,641
Policy backed loans	6,718,811	5,935,472
Deferred tax asset	508,288	377,944
Deferred acquisition costs	568,935	537,511
Other assets	13,905,694	932,500
Total assets in insurance businesses	**454,303,995**	**209,251,676**
Investment contracts unit-linked liabilities	424,441,781	200,535,301
Policy loan liabilities	6,893,911	5,931,964
Reserves for unreported claims	466,811	409,275
Creditors arising from insurance and re-insurance operations	12,360,922	274,145
Amounts owed to Group companies	-	9,573
Other creditors	4,380,431	298,970
Total liabilities in insurance businesses before elimination	**448,543,855**	**207,459,498**
Elimination of amounts owed to Group companies	(587,730)	(9,573)
Total liabilities in insurance business	447,956,125	207,449,925
Net assets in insurance businesses	**6,347,870**	**1,801,751**

There is no material risk to the Group arising from the investment portfolios held by PLAC or AILAC as the majority of policyholder liabilities are directly linked to the value of the policyholder investments held. Further details of the amounts included in the consolidated financial statements in respect of the two insurance subsidiaries for the period from their respective acquisitions on 19 March 2021 and 25 November to 31 December 2022 are disclosed below to assist readers in understanding their impact on the consolidated financial statements.

Notes to the Financial Statements (continued)

14. **Insurance company disclosures (continued)**

	Year to 31 Dec 2022 £	19 Mar 2021 to 31 Dec 2021 £
Policy charges and fee income	3,424,875	2,290,948
Direct costs of insurance business	(2,336,898)	(1,639,167)
Investment income	-	3,523
Total revenue	**1,087,977**	**655,304**
Movement in deferred acquisition cost	21,525	22,682
Operating costs (excluding group fees)	(755,287)	(949,002)
Net result before tax	**354,215**	**(271,016)**
Tax credit	85,402	29,620
Net result after tax	**439,617**	**(241,396)**

Investments held within investment contracts are measured at fair value, and they can be grouped into Levels 1 to 3 based on the degree to which fair value is observable.

- Level 1 fair values are those derived from quoted prices in active markets;
- Level 2 fair values are those derived from inputs other than quoted prices that are observable either directly or indirectly;
- Level 3 fair values are those derived from valuation techniques that are based on inputs that are not quoted prices.

For each of the financial assets held within investment contracts in the table below, carrying value is a reasonable approximation of fair value. There were no transfers between levels during the period

At 31 December 2022	**Level 1 £**	**Level 2 £**	**Level 3 £**	**Total £**
Receivables	6,179	-	-	6,179
Cash and cash equivalents	25,203,227	-	-	25,203,227
Fixed income	25,667,401	-	-	25,667,401
Equities	281,143,387	6,491,257	23,765,097	311,399,741
Investment funds	54,313,546	-	-	54,313,546
Private placements	-	-		11,777,442
Direct investments	-	-	4,234,731	4,234,731
	386,333,740	**6,491,257**	**39,777,270**	**432,602,267**

At 31 December 2021	**Level 1 £**	**Level 2 £**	**Level 3 £**	**Total £**
Receivables	5,554	-	-	5,554
Cash and cash equivalents	11,748,979	-	-	11,748,979
Fixed income	24,473,263	-	-	24,473,263
Equities	44,718,330	12,927,367	24,712,482	82,358,180
Investment funds	66,887,725	-	-	66,887,725
Private placements	-	-	11,797,403	11,797,403
Direct investments	-	-	4,217,143	4,217,143
	147,833,853	**12,927,367**	**40,727,029**	**201,488,249**

Notes to the Financial Statements (continued)

14. **Insurance company disclosures (continued)**

Investments are held to back unit-linked liabilities. Any increase or decrease in their value is matched by an associated decrease or increase in liability to policyholders. The segregated account liabilities follow the similar fair value levelling as the segregated account assets.

Group net investment in insurance companies

	At 31 Dec 2022 £	**At 31 Dec 2021 £**
Total assets in insurance companies	454,303,955	209,251,676
Total liabilities in insurance companies	(448,543,855)	(207,449,925)
Other intangible assets acquired AVIF	688,562	765,070
Other intangible assets acquired Goodwill	138,005	138,005
	6,586,667	**2,704,826**

15. **Acquisition of subsidiaries**

On 6 December 2022 the Company's 95% owned subsidiary Northstar Group (Bermuda) Ltd acquired 100% of AILAC. AILAC is a life assurance company registered in Guernsey and regulated by the Guernsey Financial Services Commission. The Group incurred costs of £158,942 related to the acquisition which are recorded in operating expenses. On 12 December 2022 the Company's 100% owned subsidiary Alpha Group (Bermuda) Ltd acquired 100% of Havelet. Havelet is a liability assignment company registered in Barbados and regulated by the Barbados Financial Services Commission.

AILAC was acquired as part of the Company's pre-announced strategy to grow assets under management (i.e. both owned and managed life settlements) to £2 billion. Havelet was acquired because its business model is complementary to the activities of the rest of the Group and is expected to give rise to cross-selling opportunities.

The sellers of AILAC were prepared to sell the company at a bargain purchase price as they were a significantly larger group who saw AILAC's business as insignificant whilst continuing to impose a regulatory risk and capital burden on that group. Furthermore the list of potential buyers was limited by the need to have experience at running similar businesses in order to receive regulatory approvals. The Group has identified a number of large insurance groups who are equally keen to divest their smaller subsidiaries and therefore there is the potential for further such acquisitions in the future.

Included in operating expenses is £158,942 of legal fees and other costs related to the acquisition of AILAC. There are no such costs related to the acquisition of Havelet.

The Statement of Comprehensive Income includes, in the amount reported under revenue from owned insurance companies, £246,583, in the amount reported under expenses in managing insurance companies £101,750 and in the amount reported under operating expenses, £47,167 arising from the acquisition of AILAC which resulted in an overall increase in profits of £97,167. There was no impact on the Statement of Comprehensive Income from the acquisition of Havelet as the revenues and costs post-acquisition are not material.

The only restatement of the assets and liabilities in respect of AILAC required under IFRS3 was an increase in liabilities of £400,000 to reflect a liability arising to the Company on acquisition. The only restatement in respect of Havelet was to recognise an intangible asset, that being contractual rights to future income acquired through the acquisition. The assets and liabilities are as presented below in respect of each subsidiary acquired:

Notes to the Financial Statements (continued)

15. Acquisition of subsidiaries

AILAC		**£**
Total unit-linked assets in insurance company		227,362,000
Total cash outside unit-linked policies		9,377,000
Other assets		12,782,000
Total assets in insurance companies		**249,521,000**
Total unit-linked liabilities in insurance companies		(228,960,000)
Trade and other payables		(16,455,000)
Total liabilities insurance companies		**245,415,000**
Identifiable assets less liabilities		4,106,000
Bargain purchase amount attributable to –	Controlling interests	(3,900,700)
	Non-controlling interest	(205,300)
Consideration satisfied by cash		**£0**

Havelet	**£**
Intangible asset - rights	113,387
Trade and other receivables	43,135
Cash at bank	193,493
Trade and other payables	(350,015)
Identifiable assets less liabilities	£0

Had both AILAC and Havelet been owned throughout the year revenues of the Group would have increased by £1,920,919 and profits by £686,886.

16. Related party disclosures

Balances and transactions between the Company and its subsidiaries, which are related parties have been eliminated on consolidation and are not disclosed in this note.

The remuneration transactions with Directors have been included in in the remuneration table in Note 17.

Directors fees paid to Daniel Swick were paid to Kango Group LLC (“Kango Group”). Kango Group is connected by way of Mr. Swick’s directorship and major shareholding in Kango Group. There were no balances outstanding between the Company and Kango Group at 31 December 2022 (2021: £nil).

Directors fees paid to Gobind Sahney were paid to GO Services LLC (“GO Services”). GO Services is connected by way of Mr. Gobind being the controlling member of GO Services. There were no balances outstanding between the Company and GO Services at 31 December 2022 (2021: £nil).

The short-term loan referred to in note 13 was provided by OSMO Holdings Ltd, a company of which the Company Secretary is a director and a 50% owner through his consultancy firm.

17. Directors’ emoluments

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

Notes to the Financial Statements (continued)

17. **Directors' emoluments**

Name of Director	**Fees £**	**Other £**	**Total £**
Gobind Sahney	171,554	245,152	**416,706**
Daniel Swick	97,364	-	**97,364**
Jason Sutherland	48,000	78,800	**174,800**
Total	316,918	323,952	**640,870**

Other amounts represent director share options, see note 19 for further details.

18. **Share warrants**

Warrants

The Company during the prior period past granted warrants to its former Broker. Warrants are exercisable at the price normally equal to the average quoted market price of the Company's shares on the date of grant or at the nearest placing price. The warrants vest immediately and with an exercise period of 2 years from the date of grant. Nil (2021: 18,750,000) broker warrants were granted in the year ended 31 December 2022.

The charge against the share premium account on issue of the broker warrants was £nil (2021: £122,905) and £nil (2021: £113,390) net of broker warrants exercised. The fair value of the broker warrants issued in the prior year was calculated using the inputs set out in the prior year financial statements.

Shareholder warrants are not provided for services and accordingly no warrant reserve or share based payment is recognised for these warrants.

	2022 Number of warrants 000's	**Weighted average exercise price £**	2021 Number of warrants 000's	nted average exercise price £
Outstanding at the beginning of the period	**206,250**	**0.029**	-	-
Granted during the period for services	**-**	**-**	22,321	0.019
Granted during the period with shares	**-**	**-**	187,500	0.030
Exercised during the period	**-**	**-**	(3,571)	0.014
Outstanding at the end of the period	**206,250**	**0.029**	206,250	0.029
Exercisable at the end of the period	**206,250**	**0.029**	206,250	0.029

Notes to the Financial Statements (continued)

19. Share-based payment awards

During the year, the Company issued share options to the Directors and senior management. The total options granted represent 10% of the issued share capital of the Company at the end of the calendar year. The allocation of these options amongst the Directors and others was decided by the Remuneration Committee based on the contribution of those individuals to the future prospects of the Company. The options have a five-year term from the year end to which they relate and are exercisable at the market price of the shares on the day prior to issue although any departing option holder must exercise those options within six months of leaving (or the date issued if later).

The share options outstanding at 31 December 2022 had a weighted average contractual life of approximately 2 years. The fair value of options granted during the year was £334,800 (2021: 480,674) calculated using a Black-Scholes model with inputs as follows

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Share price at date of grant	2.9 pence
Exercise price	2.95 pence
Expected volatility	23.14%
Expected dividend	Nil
Vesting criteria	Exercisable on date of grant
Contractual life	5 years
Risk free rate	3.341%
Estimate fair value of each warrant	0.78 pence

Share options outstanding during the year ended 31 December 2022 and period ended 31 December 2021 were as follows:

	2022 Number of options	**Weighted average exercise price**	2021 Number of options	Weighted average exercise price
	000's	**£**	000's	£
Outstanding at the beginning of the period	**93,774**	**0.0295**	-	-
Granted during the period	**43,189**	**0.0295**	93,774	0.0295
Exercised during the period	**-**	**-**	-	-
Outstanding at the end of the period	**136,963**	**0.0295**	93,774	0.0295
Exercisable at the end of the period	**136,963**	**0.0295**	93,774	0.0295

20. Financial Instruments

The following table sets out the categories of financial instruments held as at 31 December 2022 and 31 December 2021:

Notes to the Financial Statements (continued)

20. **Financial Instruments (continued)**

	Group As at 31 December 2022 £	**Company As at 31 December 2022 £**	**Group As at 31 December 2021 £**	**Company As at 31 Dec 2021 £**
Financial Assets				
Financial assets measured at fair value through profit and loss				
- Unit linked investment contracts (see note 14)	**422,843,781**	**-**	200,535,301	-
Other assets in insurance business	**31,460,214**	**-**	8,716,375	-
Loans and receivables - Cash and cash equivalents – Short term investments	**5,007,650**	**9,571**	195,523	109,558
Right of use assets	**183,672**	**183,672**	262,117	262,117
Loans and receivables - Trade and other receivables	**42,660**	**521,492**	20,818	20,818
Loans and receivables – Loans	**237,919**	**354,807**	140,742	292,577
Annuity contracts	**2,274,254**	**-**	-	-
Financial liabilities				
Financial liabilities measured at fair value through profit and loss:				
- Unit linked investment contracts	**424,441,781**	-	200,535,301	-
Financial liabilities measured at amortised cost				
- Trade and other payables	**401,711**	**42,525**	61,719	67,768
- Lease liabilities	**238,483**	**238,483**	269,109	269,109
- Other insurance related liabilities	**23,514,344**	**-**	6,914,624	-

a) Market risk

The Group is not materially exposed to market risk as it has not nor does it intend to hold instruments subject to market risk other than those within unit-linked investment contracts referenced in note 14. Market risk is the risk that changes in market prices, such as share prices and interest rates will affect the Group's income or value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

b) Interest rate risk

The Group is not materially exposed to interest rate risk because it does not have any funds at either fixed or floating interest rates.

c) Foreign currency risk

The Group has a material exposure to foreign currency risk as a significant proportion of the assets of the Group outside of those held by the Company are denominated in US Dollars. The net assets of subsidiaries denominated in US Dollars amount to approximately £1.58 million (2021: £1.87 million).

Notes to the Financial Statements (continued)

20. **Financial instruments (continued)**

d) Credit risk

The Group's maximum exposure to credit risk in relation to each class of recognised asset is the carrying amount of those assets as indicated in the balance sheet. At the reporting date, there was no significant concentration of credit risk. Receivables at the year-end were not past due, and the Directors consider there to be no significant credit risk arising from these receivables.

The Group's cash and cash equivalents are held with banks whose ratings are 'A'.

e) Liquidity risk

Cash flow working capital forecasting is performed for regular reporting to the directors. The directors monitor these reports and forecasts to ensure the Group has sufficient cash to meet its operational needs.

f) Capital risk management

The Company defines capital based on the total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

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, in the future.

21. **Average number of people employed**

Average number of people employed, including Directors:

	Group 2022	**Company 2022**	**Group 2021**	**Company 2021**
	Number	Number	Number	Number
Office and management	3	3	5	4

22 **Subsequent events**

On 20 March 2023 the Company issued 18,750,000 Shares at 2p per share on exercise of certain warrants issued to the Company's former brokers. This resulted in a cash inflow of £375,000 which will be used to repay the loan referred to in Note 13 and the Company has negotiated earlier repayment terms for that loan which will reduce the interest charge by £4,000.

Subsequent to the year-end Credit Suisse, Silicon Valley Bank ("SVB") and Signature Bank ("Signature") announced that they were in financial difficulties. At the time of the announcement the Group had an exposure of approximately £2 million to Signature. Management immediately took actions to reduce the Group's exposure to those banks and subsequently both announced rescue plans which secured all deposits. The Group has not suffered any loss as a result of these events but remains vigilant to credit risk.

Notes to the Financial Statements (continued)

23 **Leases – Company and Group**

The Company has a sixty-month lease for the rental of a property in California, which expires in May 2026. The right of use asset on the lease has been separately reported in the statement of financial position as the Company has no other fixed assets. The lease is non-terminable other than with a substantial penalty and there is no right to sub-let otherwise than with the consent of the landlord. Additional information on the right of use asset is as follows:

	Carrying Amount B/Fwd	Depreciation	Carrying Amount C/Fwd
Office	262,117	(78,445)	183,672

The net present value of lease liabilities are all due within 4 years and comprise

	Group & Co As at 31 December 2022 £	**Group & Co As at 31 December 2021 £**
Lease payments	215,985	269,109
Finance charges	22,498	32,254
	238,483	**301,363**

24 **Annuity Contracts - Group**

The discounted and fair value of the annuity contracts as presented in the consolidated statement of financial position relate to the following categories:

	Group as at 31 December 2022 £	**Group as at 31 December 2021 £**
Deferred variable annuity contracts	4,789,120	-
Fixed annuity contracts	2,274,254	-
	7,063,474	**-**