Alpha Growth Plc

Annual Report & Financial Statements for the year ended 31 December 2023

Company Number 09734404

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Company Information

Directors
Gobind Sahney
Jason Sutherland
Neil Warrender (appointed 2 May 2023)

Company Secretary
Neil Warrender

Registered Office
35 Berkeley Square
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
LE87 2BB

Registrars
Link Asset Services
Northern House
Woodsome Park
Fenay Bridge
Huddersfield
HD8 0GA

Chairman's Statement

After my statement in September, which was published alongside our half-year results, the latter half of 2023 has been dedicated to deepening the integration of our acquisitions and strategically positioning our group's companies for success in their specific business domains.

Over this period, Alpha has significantly strengthened its position and now boasts a wide array of financial and insurance products and services. With operations spanning five pivotal countries, we are now authorized and regulated to operate and provide services within many of the world's key financial centres.

I am confident that we are not only capitalizing on opportunities but also confronting challenges head-on, ensuring our operations remain agile and efficient within a dynamic regulatory landscape. By actively leveraging sectoral changes, Alpha is poised to emerge as a prominent player in the financial services sector.

You will notice in our financial statements that we received a disclaimer of opinion from our auditors. During the planning for the audit it became clear that a limited number of contracts issued by PLAC fell into the definition of insurance contracts under IFRS, this is despite the auditors previously accepting their treatment as investment contracts. Since the Board had not had any reason to question the past treatment, they had not prepared themselves for the impact of IFRS 17, which only applies to insurance contracts. During the audit, it became apparent that trying to implement IFRS 17 in the limited time available would lead to significant delays in finalizing the accounts and would also lead to a resultant increase in audit fees. The Board's own assessment of the impact of IFRS 17 was that it would have had no impact on the reported position or the net assets, the differences would have been presentational only.

In order to file our accounts on time, the Directors elected to follow the accounting policy previously adopted for these contracts and to explain the departure from IFRS in accordance with their responsibility statement. This has led to the auditors disclaiming an opinion. The Directors are considering their options going forward and have started the process of sounding out potential new auditors who have the required in-house IFRS expertise. Whichever route we choose we will start work on ensuring the accounts are fully IFRS compliant in 2024 as soon as practicable.

Following positive and constructive correspondence with the Financial Reporting Council, the board have spent a lot of time and effort enhancing the disclosures in the accounts. Some of these enhancements are discussed below.

The Board has decided to disaggregate those assets and liabilities of the insurance subsidiaries, which were previously listed as one line, with a separate note detailing the underlying assets. We believe the accounts now give a clearer picture for our shareholders as to the strength of the business.

As at 31 December 2023, the Group held a very healthy £7,420,418 within bank accounts, excluding amounts held within life policies. The Board has adopted new KPIs as detailed on page 13, both of which demonstrated stability following the acquisitions at the end of 2022. The assets under administration and management stood at $619 million, a small advance towards our $2B goal, whilst the surplus in net current assets over regulatory capital requirements stood at £2.7 million.

In further positive news, the Company has repaid its borrowings and is now debt free.

Chairman's Statement (continued)

Following the acquisition of Alpha International Life towards the end of 2022, the short-term cash needs of the Company have become significantly more manageable and this puts the Company in the position to self-finance its own operations. The Company does not expect to have to raise any additional equity capital as it progresses towards its previously communicated strategy of managing over $2bn of assets in 2025. Each of AILAC and PLAC successfully obtained a credit rating during the year and accordingly one of these entities is expected to be the vehicle used to finance acquisitions, if finance is required.

Our path forward includes adding to Alpha's core management team in the positions of fund and life insurance marketing. We are encouraged by independent feedback in the industry of the life insurance linked wealth management "ecosystem" we have assembled. The updated Alpha website (www.algwplc.com) has received many compliments regarding how it explains the "ecosystem" we are building. The Directors believe that this recognition will eventually be reflected in our market value as a global audience is exposed to Alpha.

As you're aware, the Directors have maintained a lean operating structure and will continue to do so until value can be achieved with additional team members. The addition of Jason Sutherland as a full-time executive has proven highly beneficial, further complimented by the addition of Neil Warrender as Non-executive and Finance Director responsible for leading the compliance and regulatory relationships.

As we advance our build strategy, we maintain an ongoing assessment of buy opportunities within both the fund and life insurance segments. While certain anticipated opportunities have yet to materialize due to factors like rising interest rates and political tensions in Europe, we remain optimistic and currently have a robust pipeline of targets to evaluate, each holding the potential to significantly enhance both our revenue and assets under management. Updates regarding this will be delivered in due course.

Our strategy continues to insulate us from a lot of the volatility in capital markets, however, like many smaller listed companies, our share price performance has been impacted by current market conditions. The Directors firmly believe there exists a notable disparity between our current market capitalization and the genuine value of the company and its assets. They are confident that our value creation strategy will start to reflect in the share price as we continue to achieve our stated goals. Additionally, they anticipate a resurgence in investor interest in smaller companies, further bolstering our position and providing significant shareholder returns.

I would like to take this opportunity to thank the shareholders for their continued support as we build Alpha Growth into a significant organisation within its sector.

Gobind Sahney

Chairman

30 April 2024

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, Executive Director

Mr. Sutherland became an executive member of the management team at the start of the year. He launched the first ever AAA rated placement of mortality backed linked annuity receivables totalling $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. During the year his contributions to the life settlements sector were recognised when he received the the Alexander Hamilton Award from the National Association of Settlement Purchasers (NASP).

Neil Warrender, Non-Executive Director

Mr Warrender is a trained chartered accountant having qualified with a "Big 4" firm. He subsequently has had a varied career in financial services including roles at a traditional asset manager, a private equity firm and a hedge fund before establishing a consultancy firm whose clients included Peachtree Asset Management, the London based firm that Mr Sutherland was Managing Director of. Mr Warrender has been acting as Company Secretary to Alpha Growth since June 2019 and was invited to join the Board in the current year in recognition of his continuing contributions to the Group. Mr Warrender was recently appointed as CFO of Narf Industries plc, another LSE listed firm.

Directors' Report

The Directors present their report with the audited consolidated financial statements of the Group for the year ended 31 December 2023. 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 10 to 15.

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 year and their beneficial interest in the Ordinary Shares of the Company at 31 December 2023 were as follows:

Director	Position	Appointed	Resigned	Ordinary shares	Options
Gobind Sahney	Executive Chairman	15/08/2015	-	7,045,834	81,434,303
Jason Sutherland	Executive Director	06/03/2019	-	133,333	18,231,198
Neil Warrender	Non-Executive Director	02/05/2023	-	-	3,841,195

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 2024, the total number of issued Ordinary Shares with voting rights in the Company was 467,775,068. 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
Mark Ward	113,087,803	24%
Hargreaves Lansdown Asset Management	91,859,128	20%
abdn plc	24,148,239	5%
Roy Rawlins	22,571.477	5%
Private Stakeholders (UK)	22,257,544	5%
Lloyds Banking Group	20,550,153	4%
James Sampson	19,494,882	4%
AJ Bell Group	18,259,673	4%
AN Minto	16,792,500	4%
Marcus Alder	14,147,096	3%

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

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.

TCFD Disclosures

a) Describe the Board's oversight of climate-related risks and opportunities.	Whilst the Board meets formally as ad when needed to meet its statutory obligations, it principally operates on an informal basis, through regular communication between the two Executive Directors and the Non-Executive Director. This communication is focused on risks and opportunities that arise on an ongoing basis. Through those discussions the Board has assessed that at the current time there are no climate-related risks or opportunities that would have a material impact on the Group or the wider community. This is in the context of the Group currently having just five employees and substantially all of the climate impact of the Group being driven by regulatory imperatives. The Board will keep this assessment under regular review.
b) Describe management's role in assessing and managing climate-related risks.	There is no formal management structure as there are just five Group employees. Each manager individually will seek to make personal decisions so as to minimise climate-related risks. This manifests itself in seeking to minimise travel by, for example, working from home or, in the Chairman's case, by choosing to move his home to the same island as a major subsidiary.
c) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	The Group has not identified any material climate-related risks and opportunities in the short-term. Medium and longer-term assessments will depend on what acquisitions are made by the Group and accordingly the Board will reassess those climate-related risks and opportunities as soon as practically possible following an acquisition.
d) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	Climate related risks and opportunities are not currently a consideration when the Group is developing its businesses, strategy or financial planning given the immaterial level of risk. Individual employees are encouraged to take climate matters into account when planning how they wish to work and management offer maximum flexibility to facilitate this.

Directors' Report (continued)

TCFD Disclosures (continued)

e) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	The Group does not foresee any impact on its resilience arising from all foreseeable climate-related scenarios, including a full two degrees of warming.
f) Describe the organisation's processes for identifying and assessing climate- related risks	The Group currently has no process for identifying and assessing climate-related risks given they are not deemed material to the organisation. This will be kept under review as the organisation grows.
g) Describe the organisation's processes for managing climate-related risks	The process for managing such risks is to provide all five employees with the flexibility to manage those limited risks that are under their control.
h) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	There is no assessment of climate-related risks into the Group's overall risk management as those risks are not currently considered to be material.
(i) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	The Group does not seek to measure climate-related risks as they are not considered material and substantially all of those risks are driven by regulatory imperatives that are outside the Group's control (eg requests to meet face to face with regulators). The Board will reconsider this position on any material change to the Group or its activities.
(j) Disclose Scope 1, 2, and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks.	The Group's activities are outside the scope of the Global GHG Accounting and Reporting Standard on insurance-related emissions.
(k) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against target	The Group currently has no set such targets since climate-related risks and opportunities are largely outside of the control of the Group. Notwithstanding this the Board is pleased to note that employees continue to do what they can to reduce climate risk by working from home and moving their home closer to an operating subsidiary. The Board will reconsider this position on any material change to the Group or its activities.

Dividends

The Directors do not propose a dividend in respect of the year ended 31 December 2023 (2022: 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 10 to 15.

Corporate Governance

The Governance Report forms part of the Director's Report and is disclosed on pages 16 to 22.

Going Concern

As at 31 December 2023 the Group had a cash balance (excluding amounts with unit-linked insurance policies) of £7,420,418 (2022 (restated): £8,033,180) and net current assets of £3,461,432 (2022 (restated) £4,422,165). The Group has no material debt other than amounts borrowed to finance policy holder loans, which are backed by the assets in the life policies.

With the issue of a new $20 million life policy in December 2023, a significant inflow into the Alpha Alternatives Fund and a new sub-lease of the office in California, the Group is projecting to be cash neutral from the start of the year and there are several ongoing projects any one of which, if they achieve are successful, will result in the Group becoming cash flow positive. In the mean time the Group paid off its short term loan during the past year, generated significant profits on the termination of the sub-lease and generally was in a position to improve its record on timely payment of creditors.

Auditors

The Directors are currently considering their options in relation to whether or not to reappoint the auditors and will update shareholders at the AGM.

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 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

Directors' Report (continued)

Statement of Directors' responsibilities (continued)

- 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 draw attention to Note 2 b of these financial statements where it is explained that they have decided to treat all unit-linked insurance contracts as investment contracts under IFRS 9 – Financial Instruments, notwithstanding some may fall within the definition of insurance contracts under IFRS 17 – Insurance Contracts.

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 to make a statement that they consider that the annual report and accounts, taken as a whole, is fair, balanced, and understandable and provides the information necessary for the shareholders to assess the 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 pages 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 12 and note 21 to the financial statements.

This responsibility statement was approved by the Board of Directors on 30 April 2024 and is signed on its behalf by:

Signed …………………………………………
Gobind Sahney 30 April 2024
Executive Chairman

Strategic Report

Strategic Report

The Directors present the Strategic Report of Alpha Growth Plc for the year ended 31 December 2023.

Review of Business in the Period

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

During the year the Company's primary focus was on integrating the two businesses acquired towards the end of 2022 whilst seeking out further acquisition opportunities to move towards the stated $2 Bn AUM/AUA goal. Having undertaken a root and branch review of the AILAC operations, the Company was able to reduce overheads and identify a new product opportunity which is under discussion with regulators. The Directors believe that this new niche product will be attractive to the prospects that are known to the existing team and have also identified an insurance management group in Guernsey who will be well placed to manage it.

During the year under review, the Group bought out the 5% minority interest in the two life assurance subsidiaries in exchange for the allotment to the minority shareholder of 12,696,231 ordinary shares of 1p each in the Company. The Group's primary focus during the year has been on integrating the businesses acquired during the prior year together with working towards further acquisitions which are expected to be accretive to net assets and profitability. We are pleased to report that shortly before the year end Providence Life Assurance Company ("PLAC") issued a new $20 million life policy increasing its AUM by over $5 million whilst the Alpha Alternatives Fund attracted subscriptions of a further $5 million which the Board believes are the first stepping stones towards organic growth in AUM to go alongside the growth from acquisitions.

The Company has been speaking with a number of potential acquisition targets during the year and remains optimistic that these will lead to significant growth in AUM and positive cash flows in the short to medium term.

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 main revenue generators – fund management and life insurance company holdings.

In both lines of business 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 combination 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.

Strategic Report (continued)

Business Strategy (continued)

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.

It is worth noting that whilst the commercial arrangements and accounting presentation of the two lines of business differ, they operate as one integrated business segment under the management of the two Executive Directors and therefore do not fall into separate business segments as defined in IFRS 8.

S172 (1)
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 long-term value to shareholders 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.

Strategic Report (continued)

S172 (1) (continued)

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 prior year the Chairman moved to Bermuda so as to better communicate with the community where PLAC is located and to reduce his climate-impact.

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. The Board has been actively engaging with the Financial Reporting Council over the past six months and has taken on board a number of their comments and suggestions in preparing these financial statements.

Further information on the ways in which the Board engages with stakeholders is set out in the Governance Report on pages 17 to 23.

Events since the period end

There have been no events since the period end which have a material impact on an understanding of these financial statements.

Financial review

Results for the 2023 period

The Group incurred a loss for the year to 31 December 2023 of £1,356,255 (31 December 2022: generated profit of £3,178,578).

The result for the current year includes a one-off gain of £147,805 on cancellation of a sub-lease by the lessee. The profit for the prior year mainly resulted from the bargain price paid on AILAC, which was acquired for £4,106,000 less than its net assets.

Cash flow

Net cash outflows (excluding flows within life policies) for the year to 31 December 2023 were £612,762 (2022 (restated): inflow of £6,971,350).

Closing cash

As at 31 December 2023, the Group held £7,420,418 (2022 (restated): £8,033,180) in bank accounts, excluding amounts held within life policies.

Key Performance Indicators

Following the acquisition of AILAC towards the end of 2022, the short-term cash needs of the Company have become much more manageable and accordingly the Directors have been able to adopt new KPIs in line with the medium-term strategy of achieving $2 billion of assets under administration/management. Acknowledging the need to ensure that the Group is able to finance

Strategic Report (continued)

Key Performance Indicators (continued)

its own operations as it moves towards this goal, the Directors also monitor the surplus of Group net current assets over the regulatory capital needs of the business.

The KPI indicators as at 31 December 2023 with their prior year comparatives are detailed below:

	2023	2022
AUM:	$619.1m	$586.8m
Surplus net current assets:	£2.7m	£3.7m

Position of Company's Business

During the year
In March 2023 the Company issued 1,875,000 ordinary shares of 1p each on exercise of broker warrants for a total consideration of £375,000. In May 2023, the Company acquired the minority interest held by the former majority owner of Northstar Group (Bermuda) Ltd for shares in the Company with a value of £330,102. In September 2023 the Company made a profit of £147,805 on the cancellation of a sub-lease by the lessee.

At the year end

At the year end the Group's Statement of Financial Position shows net assets totaling £5,711,263 (2022: £6,623,015). 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, one Executive Director 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.

Strategic Report (continued)

Position of Company's Business (continued)

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.

Risks/Uncertainties to the Company		
Issue	**Risk/Uncertainty**	**Mitigation**
Developing business model	The Company is dependent on inter-company service revenues from the operating subsidiaries in order to finance the Directors fees and pay costs related to its listing. During the year the operating subsidiaries did not earn sufficient fees to fully offset their costs and pay the Company sufficient to meet its costs.	Towards the end of the year two of the operating subsidiaries increased their AUM sufficiently to mean that the Group as a whole is profitable going into 2024. Furthermore most of the deficit in 2023 was offset by a one-off gain from the cancellation of a sub-lease. Both AILAC and PLAC have historic cash reserves sufficient to cover any short-term cash needs.
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 has enhanced the competitiveness of the Group and also provided diversification in revenue streams. Those businesses are now fully integrated into the Group with significant growth opportunities.
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.

Strategic Report (continued)

Position of Company's Business (continued)

Risks/Uncertainties to the Company		
Issue	**Risk/Uncertainty**	**Mitigation**
The Company may be subject to foreign exchange risks		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.
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.
The Company is subject to an increasing burden of regulation and increasingly complex accounting standards.	The Company is operating with a very small team ad it may be difficult for that team to find the time to meet the increased requirements especially if regulators and accounting standards issuers are not able to apply requirements proportionately.	The team is very experienced and able to quickly adapt to the changing regulatory environment.
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 Non-Executive Director's consultancy firm.

Composition of the Board

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

Strategic Report (continued)

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 30 April 2024
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 there should be a minimum of two members of the Audit Committee and 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. Adding a second member to the Audit Committee would result in there not being an independent majority so having one independent member is considered the closest to meeting the Cod that can be achieved. 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 two Executive Directors and one Non -Executive Director. The Non-Executive Director holds share options and is expected to be granted further options and is therefore not 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.

Governance Report (continued)

Compliance with the UK Code of Corporate Governance (continued)

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 two Directors who have joined since the Company's shares were listed.

- 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 two Executive Directors who set their own remuneration whereas the Corporate Governance Code requires that no Director should be involved in setting their own remuneration. The Directors consider the present structure and arrangements to be adequate and the most practical approach 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 2023.

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 two 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;

Governance Report (continued)

Leadership (continued)

- The Company's overall strategy;
- Financial statements and dividend policy;
- 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 integration of AILAC into the Group and the identification of suitable new investment opportunities for the Company to pursue.

Attendance at meetings:

Member	Position	Meetings attended
Gobind Sahney	Executive Chairman	2 of 2
Jason Sutherland	Executive Director	2 of 2
Neil Warrender	Non-Executive Director	2 of 2

The Board is pleased with the 100% level of attendance and participation of Directors at Board and committee meetings. 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 the Non-Executive Director will be made available upon written request.

Governance Report (continued)

Remuneration Committee

The Company has established a Remuneration Committee, the members of which at present are the two Executive Directors, Gobind Sahney and 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 seeks to ensure 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, at the end of the year was the Non-Executive Director, Neil Warrender (Jason Sutherland having stepped down on becoming an Executive Director). 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, an Executive Director and one Non-Executive Director (who does not meet the Governance Code criteria to be treated as independent). 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 subject to the financial constraints of the Group.

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 - 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 Remuneration Committee performs a performance evaluation on each of the Directors when setting the level of remuneration and participating in long-term incentive schemes..

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 2023.:

	Male	**Female**
Directors	3	-

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

Governance Report (continued)

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 31 to 33.

Going concern – The preparation of the financial statements requires an assessment on the validity of the going concern assumption. The Directors' assessment of the Company's ability to remain a going concern is detailed on page 7.

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 the 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.

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.

Governance Report (continued)

Shareholder relations (continued)

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 – the Company is 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:

…………………
Neil Warrender
Non-Executive Director
30 April 2024

Remuneration Committee Report

The Remuneration Committee presents its report for the year ended 31 December 2023.

Membership of the Remuneration Committee

The Remuneration Committee during the year comprised of the two Executive Directors, Jason Sutherland and Gobind Sahney. The Company's Non-Executive Director has a skillset which is not well suited to being involved in remuneration decisions, whilst the Executive Directors hands on involvement in all Group matters means they are best placed to assess what the Group can afford in remuneration whilst ensuring long-term incentives encourage them to keep looking to add shareholder value.

During the year ended 31 December 2023, the Remuneration Committee held one formal meeting attended by the two committee members. The Remuneration Committee is currently looking at ways to better align the long-term incentive plan with the medium-term strategy and accordingly no share options were issued during the year.

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 16th June 2023. 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. • The free cashflow expected to be generated by the Group and any surplus cash available after taking into account regulatory capital needs.	As the Executive Directors are currently receiving remuneration which is below that which they could achieve in the open market, there is no limit on potential rises. Base salaries will rise based on affordability until the Executive Directors reach the point where their salaries reflect their value to the Group.	None, although an individual's contribution to the Group and overall 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)	No material bonuses have been paid to date but it may be possible to pay out bonuses following a significant increase in AUM which moves the Group closer to its medium-term strategy goal..	The Group is not currently in a position to pay bonuses in the normal course of business. In the event that an acquisition or other event generates an unexpected cash windfall the Remuneration Committee will consider paying bonuses both as a reward for the work in generating the additional cash and to catch up the Executive pay towards market rate.	There is currently no maximum bonus as the level will depend on the extra cash generated for the Group from the transaction and the amount of catching up that the Remuneration Committee considers appropriate.	Performance will by measured by refence to the surplus net assets figure in the KPIs and the amount of cash (excluding that within life policies) on the balance sheet.
Long Term Bonus Scheme (LT Bonus), Share Options	Seeks to reward Directors and key employees for generating shareholder value over the medium-term (5 years).	Directors and employees are granted share options at the current share price. Those options can be exercised at any time up to five years after they have been granted, although if the option holder leaves the Group they have to exercise within six months of leaving.	Option awards across all Directors and key employees are not to exceed 10% of the issued share capital in any one year.	Options are rewarded both to reflect their perceived contribution of the individual to meeting strategy goals in the past twelve months and their ability to continue to add shareholder value in the future.

Remuneration Committee Report (continued)

The Directors' previous remuneration policy was approved as part of the Directors' Remuneration Report by 81.83% of voting shareholders at the 2023 AGM. The Directors have noted that there was a level of dissent with the remuneration policy previously presented and have sought both to simplify it and to explain more clearly why there is a need for a generous long term incentive plan.

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.
Share options	Share options may be awarded to Non-Executive Directors where they make a significant contribution towards the Group's operations over and above that recognised by the Non-executive fees.
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 and benefits
On-target performance	Assumes 100% pay-out under the LT Bonus
Maximum performance	Assumes 100% pay-out under the Bonus (assuming cash available) 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)

Service contracts and loss of office Executive Directors and Employees (continued)

As bonuses are not currently paid in the normal course of business a departing Director would not generally be paid a bonus.

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

There is no potential maximum payment as a percentage of base salary as the Group is dependent on the commitment of the Executive Directors to achieve its strategic goals given the very small team. 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, but this policy applies to the Board and two other key consultants.

Terms of appointment

The services of the two Executive 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	8	20/12/2017
Jason Sutherland	2019	4	06/03/2023

Mr Warrender's services as Non-executive Director are provided under the terms of an agreement between the Company and LPR Consulting LLP, a limited liability partnership of which Mr Warrender is a member.

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

Policy for new appointments

Base salary levels will take into account the Group's ability to pay, 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. three to five years) and through long-term incentives, 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 2023 (GBP):

Name of Director	Fees	Taxable benefits	Long term benefits	Pension related benefits	Other	Total
Gobind Sahney	240,089	-	-	-	-	240,089
Jason Sutherland	127,546	-	-	-	-	127,546
Neil Warrender	32,000	-	-	-	-	32,000

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

Name of Director	Fees	Taxable benefits	Long term benefits	Pension related benefits	Other	Total
Gobind Sahney	171,554	-	245,152	-	-	416,706
Daniel Swick (resigned 31.08.22)	97,364	-	-	-	-	97,364
Jason Sutherland	48,000	-	78,800	-	-	126,800

The long-term benefits represent the estimated cost to the Company (see note 18) 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

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

The UK remuneration for 2023 reflects the fact that during the year the Remuneration Committee decided to amend the UK remuneration of the Executive Directors to reflect the time they spend focussed on the two life assurance subsidiaries which are non-UK companies. Furthermore during the current year Mr Sutherland's role went from being a non-executive one to an executive one. Accordingly, whilst the UK remuneration has fallen significantly this largely reflects the changed arrangements.

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 prior 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 most likely once it reaches its 2B strategic goal.

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 four years and it changed the allocation of directors remuneration to the UK in the current year. 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 2023 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.

………………………
Gobind Sahney
Executive Director
30 April 2024

Audit Committee Report

The Audit Committee during the year comprised the sole Non-Executive Director, which was Jason Sutherland until Neil Warrender's appointment in May 2023. The Audit Committee 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. Mr Warrender 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. He was recently appointed as chief finance officer of another main board LSE listed company.

Members of the Audit Committee are appointed by the Board and whilst Mr Warrender holds options, 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. The Audit Committee met with the auditors in March 2024 having received their fee proposal for the 2023 audit. The proposed fees would have resulted in a significant rise in audit costs against the backdrop of the Board having made great efforts to reduce overheads in the operating businesses. The increase was largely driven by the impact of IFRS 17 and ultimately the Audit Committee recommended to the Board that they continue to treat all unit-linked policies as investment contracts under IFRS 9 due to the disproportionate costs and delays associated with the alternative treatment.

This has led to the auditor disclaiming any opinion on these financial statements.

Audit Committee Report (continued)

Financial Reporting Council (FRC) Review

In August 2023, Alpha Growth plc received a number of queries from the Financial Reporting Council (FRC) principally concerning the presentation of the insurance subsidiaries and the calculation of the diluted earnings per share in the 2022 Annual Report and Accounts. As a result of the review, and as explained in the Accounting Policies, both the Group's Consolidated Statement of Financial Position and the Statement of Cashflows for 2022 have been restated to disaggregate the assets (including cash balances) and liabilities that were previously reported as one line. In addition, the diluted earnings per share figure in the 2022 Statement of Comprehensive Income has been restated to reflect the fact that the options and warrants, being exercisable at above the average market price, are non-dilutive.

The Committee reviewed all correspondence between Alpha Growth plc Group and the FRC and also discussed the matter with our external auditor. The FRC's enquiries, which were limited to a review of the Group's 2022 Annual Report and Accounts, are nearing completion. The FRC review does not benefit from detailed knowledge of our business or an understanding of the underlying transactions entered into, and, accordingly, the review provides no assurance that the Annual Report and Accounts are correct in all material respects.

Meetings

In the year to 31 December 2023 the Audit Committee had one formal meeting with the auditors attended by Jason Sutherland as the sole committee member. Since the year end the Audit Committee has had a formal meeting with the auditors, attended by Neil Warrender.

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

- review the auditors' proposed audit fees and presentation thereof 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. Whilst the Audit Committee has not recommended the removal of the auditors, the Committee understands that as result of the disclaimer of opinion, PKF Littlejohn LLP are likely to resign. The Audit Committee has started the process of seeking new auditors.

Audit Committee Report (continued)

External auditor

The Company's external auditor is PKF Littlejohn LLP. The external auditor has unrestricted access to the sole member of the Audit Committee. 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 at the start of 2024 and is due to rotate off the engagement after completing the December 2026 audit. In light of their expected resignation, the Committee has not recommended that the Board put forward PKF Littlejohn for re-election but is in the process of reviewing options.

Neil Warrender
Chairman of the Audit Committee
30 April 2024

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
30 April 2024

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

Disclaimer of opinion

We were engaged to audit the financial statements of Alpha Growth Plc (the ‘parent company’) and its subsidiaries (the ‘group’) for the year ended 31 December 2023 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.

We do not express an opinion on the accompanying financial statements of the group and parent company. Because of the significance of the matter described in the Basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

The group has a material subsidiary, Providence Life Assurance Company (Bermuda) Ltd (‘PLAC‘), whose financial position and results are consolidated and presented within the group’s consolidated financial statements. IFRS 17, *Insurance Contracts* became effective on 1 January 2023 and as part of our planning and risk assessment procedures, we noted through discussions with management that the group’s conclusion was that the contracts issued by PLAC are not in scope of IFRS 17. We challenged management’s conclusion as most of the contracts contain mortality risks. The mortality risks are reinsured by PLAC such that PLAC does not retain net insurance risk after the effect of reinsurance. Under the superseded IFRS 4 *Insurance Contracts*, the group included provisions for the mortality risks and corresponding reinsurance recoveries with respect to the PLAC contracts.

Subsequently management prepared an analysis with input from their actuaries and concluded that most of the contracts issued by PLAC transferred significant insurance risk and would therefore be within the scope of IFRS 17 but ultimately decided the impact was not material and therefore decided to treat them in a manner consistent with prior years. We were unable to validate management’s position for the reasons set out below.

In our opinion, management failed to implement IFRS 17 appropriately in a number of areas including but not limited to the:

- scoping of the PLAC contracts in IFRS 17;
- determination of unit of account to establish how the assets and liabilities are grouped or separated for recognition under IFRS 17;
- determination of the contract boundary for the PLAC contracts;
- treatment of investment components within the contracts;
- application of the appropriate measurement model under IFRS 17 (that is, variable fee approach versus the general measurement model versus the premium allocation approach);
- weighing of coverage units between the investment return service and the insurance service within the contracts;
- accounting for the related reinsurance contracts; and
- IFRS 17 disclosures.

In our opinion, given management’s failure to appropriately implement IFRS 17, we were unable to obtain sufficient and appropriate supporting evidence to assess the impact of implementing IFRS 17 on the group’s financial statements. As a result, we were unable to determine whether any adjustments might have been found necessary in respect of the measurement and presentation of the PLAC insurance issued and reinsurance ceded contracts and the elements making up the primary statements as well as related disclosures.

Our application of materiality
The scope of our audit is 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.

Preliminary group materiality was set at £180,800 (2022: £137,200), based on 3% of unaudited 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.

Preliminary group performance materiality was set at £126,560 (2022: £96,040), based on 70% (2022: 70%) of preliminary 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.

Preliminary parent company materiality was set at £8,400 (2022: £18,776), based on 2% of unaudited 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. Preliminary parent company performance materiality was set at £6,720 (2022: £15,0210), based on 80% (2022: 80%) of preliminary parent company materiality. The level of preliminary 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.

Our approach to the audit
In designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular we looked at areas involving significant accounting estimates and judgement by the directors such as the impact of IFRS 17 and related disclosures on the financial statements.

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. Except for the matter described in the Basis for disclaimer of opinion section, as we were unable to complete our risk assessment procedures, we have determined that there are no other key audit matters to communicate in our report.

Other information
The other information comprises the information included in the strategic and directors' reports, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the strategic and directors' reports. 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.

Because of the significance of the matter described in the Basis for disclaimer of opinion section of our report, we have been unable to conclude whether a material misstatement of the other information exists.

Opinion on other matters prescribed by the Companies Act 2006
Because of the significance of the matter described in the Basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether based on the work undertaken in the course of the audit:

- the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006;
- 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
Because of the significance of the matter described in the Basis for disclaimer of opinion section of our report:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit;
- we were unable to determine whether the part of the directors' remuneration report to be audited are in agreement with the accounting records and returns; and
- we were unable to determine whether adequate accounting records have been kept.

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:

- returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made.

Corporate governance statement
We planned to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the entity's voluntary compliance with the provisions of the UK Corporate Governance Code. Due to the significance of the matter described in the Basis for disclaimer of opinion section of our report, we have been unable to form a conclusion as to whether each of the following elements of the Corporate Governance Statement are 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 8;
- 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 8;
- Directors' statement on whether they have a reasonable expectation that the group will be able to continue in operation and meets its liabilities set out on page 8;
- 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 8 and 9;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 15 and 16;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 22,23 and 24; and
- The section describing the work of the audit committee set out on pages 32, 33 and 34.

Responsibilities of directors
As explained more fully in the Statement of Directors' responsibilities, 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 and 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 and parent company or to cease operations, or have no realistic alternative but to do so.

Extent to which the audit was considered capable of detecting irregularities, including fraud
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 planned procedures are capable of detecting irregularities, including fraud is detailed below:

- We planned to obtain 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 meeting minutes and Regulatory News Services announcements and application of cumulative audit experience of the sector.
- We determined the principal laws and regulations relevant to the group and company in this regard to be those arising from the Companies Act 2006, the Listing Rules and the UK Corporate Governance Code.
- We planned 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 planned 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 planned to identify 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.
- We planned to address 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 planned to review 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 planned to review the component auditors' audit procedures on the key audit matters, management override and their assessment of each entities' compliance with local laws and regulations through 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.

Because of the significance of the matter described in the Basis for disclaimer of opinion section of our report, we did not complete the planned audit procedures set out in this section.

Auditor's responsibilities for the audit of the financial statements
Our responsibility is to conduct an audit of the group and parent company's financial statements in accordance with ISAs (UK) and to issue an auditor's report.

However, because of the matter described in the Basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in 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.

Other matters which we are required to address
We were appointed by the audit committee on 30 November 2018 to audit the financial statements for the period ending 31 August 2018 and subsequent financial years. Our total uninterrupted period of engagement is six years, covering the periods ended 31 August 2018, 31 August 2019, 31 August 2020, 31 December 2021, 31 December 2022 and 31 December 2023.

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.

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.

Satyajeet Beekarry (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

30 April 2024

Consolidated Statement of Comprehensive Income

	Note	**Year ended 31 December 2023 £**	Year ended 31 December 2022 £
Continuing operations			
Revenue from Owned Insurance Companies	3	4,731,056	3,424,875
Revenue from Contracts with Clients	3	449,415	346,787
Other income		26,314	-
Total revenue		5,206,785	3,771,662
Net movement on DAC/AVIF		(52,931)	(16,729)
Interest expense and investment costs		(21,422)	(27,838)
Bargain purchase	15	-	4,106,000
Expenses in managing owned insurance companies		(2,813,214)	(2,336,898)
Operating expenses	4	(3,810,655)	(2,403,021)
(Loss)/profit before tax		**(1,491,437)**	**3,093,176**
Taxation	6	135,182	85,402
(Loss)/profit for the period		**(1,356,255)**	**3,178,578**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on foreign operations		10,436	192,270
Total comprehensive (loss)/income		**(1,345,819)**	**3,370,848**
Attributable to:			
Owners of the Company		(1,335,239)	3,178,359
Non-controlling Interests		(10,580)	192,489
		(1,345,819)	**3,370,848**
Earnings per share from continuing operations attributable to the equity owners			
			Restated
Basic earnings per share (pence)	7	**(0.2)p**	0.7p
Fully diluted earnings per share (pence)	7	**(0.2)p**	0.7p

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 2023 £	As at 31 December 2022 (restated) £
Assets			
Cash and cash equivalents	11	7,420,418	8,033,180
Short term investments		360,430	345,836
Trade and other receivables	10	13,928,139	13,806,729
Loans to policyholders		10,178,506	6,718,811
Deferred tax asset		617,887	508,288
Right of use assets	23	143,422	183,672
Intangible assets	9	1,488,520	1,508,890
		34,137,322	**31,105,407**
Assets backing unit-linked and contractual liabilities			
Cash and cash equivalents - assets backing		10,950,357	17,458,191
Financial assets		423,770,659	414,046,964
	14	**434,721,016**	**431,505,155**
Total Assets		**468,858,338**	**462,610,561**
Liabilities			
Trade and other payables	13	5,375,795	4,825,998
Policy claims payable		12,705,096	12,260,000
Short term loans		10,174,784	6,714,911
Lease liabilities	24	170,386	238,483
Provisions		-	443,000
		28,426,061	**24,482,391**
Unit-linked and contractual liabilities			
Unit-linked liabilities	14	427,809,449	424,441,781
Structured settlements	14	6,911,565	7,063,374
Total Liabilities		**463,147,075**	**455,987,546**
Net Assets		**5,711,263**	**6,623,015**
Total Equity [1]		**5,711,263**	**6,623,015**

1. Non-controlling interest is presented in the statement of changes in equity

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 30 April 2024 and signed on its behalf by:

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

Company Statement of Financial Position

	Note	As at 31 December 2023 £	As at 31 December 2022 £
Assets			
Cash and cash equivalents	11	122,499	9,751
Trade and other receivables	10	983,723	952,119
Right of use assets	23	143,422	183,672
Investment in subsidiaries	8	3,262,320	2,932,219
Total Assets		**4,511,964**	**4,077,761**
Liabilities			
Trade and other payables	13	147,853	630,035
Lease liabilities	24	170,386	238,483
Total Liabilities		**318,239**	**868,518**
Net Assets		**4,193,725**	**3,209,243**
Total Equity		**4,193,725**	**3,209,243**

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 profit for the parent company for the year was £201,175 (2022: loss £360,745).

This report was approved by the board and authorised for issue on 30 April 2024 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 January 2022	**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 as originally stated	**431,887**	**5,388,152**	**815,474**	**113,390**	**182,748**	**(505,314)**	**6,426,337**	**282,098**	**6,708,435**
Restatement to reflect elimination of insurance and reinsurance reserves	-	-	-	-	-	(85,420)	(85,420)	-	(85,420)
Balance at 31 December 2022 restated	**431,887**	**5,388,152**	**815,474**	**113,390**	**182,748**	(590,734)	6,340,917	**282,098**	6,623,015
Loss for the year	-	-	-	-	-	(1,345,675)	(1,345,675)	(10,580)	(1,356,255)
Foreign exchange loss on conversion of subsidiary	-	-	-	-	(67,287)	-	(67,287)	77,723	10,436
Total comprehensive loss for the year	-	-	-	-	(67,287)	(1,345,675)	(1,412,962)	67,143	(1,345,819)
Share based payments	4,442	104,374	-	-	-	-	108,816	-	108,816
Share issue costs	-	(30,610)	-	-	-	-	(30,610)	-	(30,610)
Employee share options expired	-	-	(153,561)	-	-	153,561	-	-	-
Exercise of warrants	18,750	469,640	-	(113,390)	-	-	375,000	-	375,000
Acquisition of non-controlling interests	12,696	317,406	-	-	-	-	330,102	(349,241)	(19,139)
Balance at 31 December 2023	**467,775**	**6,248,962**	**661,913**	**-**	**115,461**	**(1,782,848)**	**5,711,263**	**-**	**5,711,263**

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 at 1 January 2022	431,887	5,404,313	480,674	113,390	(3,178,915)	3,251,349
Loss for the year	-	-	-	-	(360,745)	(360,745)
Total comprehensive loss for the year	-	-	-	-	(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**
Profit for the year	-	-	-	-	201,174	201,174
Total comprehensive income for the year	-	-	-	-	201,174	201,174
Share based payments	4,442	104,374	-	-	-	108,816
Share issue costs	-	(30,610)	-	-	-	(30,610)
Employee share options expired	-	-	(153,561)	-	153,561	-
Exercise of warrants	18,750	469,640	-	(113,390)	-	375,000
Acquisition of non-controlling interests	12,696	317,406	-	-	-	330,102
Balance as at 31 December 2023	**467,775**	**6,248,962**	**661,913**	**-**	**(3,184,925)**	**4,193,725**

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	2023 £	2022 £ (restated)
Cash flow from operating activities			
(Loss)/profit for the year before interest and taxation		**(1,496,329)**	**3,121,014**
Adjusted for:			
Services settled by way of payment in shares/options		108,816	334,800
Amortisation of intangible assets and right of use assets		64,430	99,970
Gain on disposal of sublease		(147,805)	-
Bargain purchase		-	(4,106,000)
Other non-cash movements		(451,301)	132,632
Operating cash outflows before movements in working capital:		**(1,922,189)**	**(417,584)**
Increase in trade and other receivables		(121,410)	(174,225)
Increase/(decrease) in trade and other payables		910,701	(218,705)
Increase/(decrease) in short term loans		179	(392)
Increase in policy claims		445,096	3,585
(Increase)/decrease in short term investments		(14,594)	64,804
(Increase)/decrease in financial assets backing unit-linked liabilities		(9,723,695)	8,220,038
Increase/(decrease) in unit linked liabilities and structured settlements		3,215,859	(3,776,520)
Net cash used in/generated from operating activities		**(7,210,053)**	**3,701,001**
Cash flows from investing activities			
Cash acquired on purchase of subsidiary		-	9,570,493
Net cash from investing activities		**-**	**9,570,493**
Cash flows from financing activities			
Repayment of leasing liabilities		(68,097)	(30,627)
Sublease of premises including interest		171,439	-
Interest paid on leasing liabilities and loans		(31,422)	(27,838)
Loan finance		(350,000)	350,000
Other interest received		23,147	-
Net proceeds from issuance of shares net of issue costs		344,390	(16,161)
Net cash from financing activities		**89,457**	**275,374**
Net (decrease)/increase in cash and cash equivalents		(7,120,596)	13,546,868
Cash and cash equivalents at beginning of year		25,491,371	11,944,503
Cash and cash equivalents at end of year	**11**	**18,370,775**	**25,491,371**
Cash and cash equivalents at end of year consists of:			
Cash and cash equivalents presented within assets		**7,420,418**	**8,033,180**
Cash and cash equivalents presented within assets backing unit-linked liabilities		**10,950,357**	**17,458,191**
		18,370,775	**25,491,371**

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

Company Statement of Cash Flows

	Note	2023 £	2022 £
Cash flow from operating activities			
Profit/(loss) for the year before interest and taxation		219,430	(337,000)
Adjusted for:			
Services settled by way of payment in shares/options		108,816	334,800
Amortisation of intangible assets and right of use assets		14,837	78,445
Gain on disposal of sublease		(147,805)	-
Non-cash foreign exchange gains		4,945	-
Operating cash outflows before movements in working capital:		**200,223**	**76,245**
Increase in trade and other receivables		(31,603)	(582,228)
(Decrease)/increase in trade and other payables		(122,182)	113,108
Net cash from/(used in) operating activities		**46,438**	**(392,875)**
Cash flows from investing activities			
Proceeds from disposal of subsidiary undertaking		-	3,600
Net cash from investing activities		**-**	**3,600**
Cash flows from financing activities			
Repayment of leasing liabilities		(68,097)	(30,626)
Sublease of premises including interest		171,439	-
Interest paid on leasing liabilities and loans		(31,422)	(13,745)
Loan finance		(350,000)	350,000
Net proceeds from issuance of shares net of issue costs		344,390	(16,161)
Net cash from financing activities		**66,310**	**289,468**
Net increase/(decrease) in cash and cash equivalents		**112,748**	**(99,807)**
Cash and cash equivalents at beginning of year		**9,751**	**109,558**
Cash and cash equivalents at end of year	**11**	**122,499**	**9,751**

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

During 2023, the Financial Reporting Council (FRC) submitted a request for further information on the Group's Annual Report and Accounts for the year ended 31 December 2022. The FRC's review was based solely on the Group's published Annual Report and Accounts and does not provide assurance that the Annual Report and Accounts are correct in all material respects; the FRC's role is not to verify the information provided but to consider compliance with reporting requirements.

As a result of the review, the Directors have decided to present information relating to the life assurance subsidiaries on a disaggregated basis, rather than reporting two separate line items comprising total assets in insurance businesses and total liabilities in insurance businesses. The disaggregation information was previously presented in a note to the financial statements but those separate line items are now included with the assets and liabilities of the Company and its other subsidiaries. This has resulted in a restatement of the Consolidated Statement of Financial Position and the Consolidated Cash Flow Statement

The fully diluted earnings per share figure in the Consolidated Statement of Comprehensive Income has been restated to reflect the fact that, in accordance with IAS 33 the warrants and options are non-dilutive since the exercise price is below the average market price in 2022.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

b) Comparative Information (continued)

The Directors also asked the directors of the two insurance subsidiaries to review their treatment of unit-linked policies in the light of the introduction of IFRS 17. Previously the Company had been informed by those subsidiaries that none of the life assurance policies transferred any significant insurance risks to those entities and accordingly the Company has always treated all contracts issued by PLAC and AILAC as investment contracts subject to IFRS 9. The Directors noted that notwithstanding this the accounts of PLAC did include an insurance risk provision and a reinsurance recoverable amount.

After reviewing the contracts the Company ultimately came to the view that it would continue to treat them as investment contracts as the Directors have a responsibility to apply accounting policies consistently and treating as insurance contracts would have involved a change of policy. This decision was reached after making an assessment as to the likely impact of IFRS 17 which, in the Directors opinion, would only have impacted the presentation with no impact on the reported loss or net assets. This decision has led the auditors to disclaim their opinion as they were unable to conclude on the matter in the time available.

In view of the continued treatment of unit-linked as investment contracts the Company has decided that it is not appropriate to retain any insurance or reinsurance related provisions. Accordingly the prior year numbers have been adjusted by reducing current assets by £588,695 to eliminate a reinsurance recoverable, reducing current liabilities by £503,275 to eliminate an insurance provision with the result that retained earnings for the Group have been reduced by £85,420.

c) New Standards and Interpretations

The following new Standards and/or interpretations have been applied to these financial statements for the first time.

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 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
Amendments to IAS 12	Income Taxes	31 December 2023

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):

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

c) New Standards and Interpretations (continued)

Standard/Interpretation	*Subject*	*Period first applies (year ended)*
Amendments to IAS 1	Classification of Liabilities	31 December 2024
Amendments to IFRS 16	Lease liability in a sale and leaseback	31 December 2024
Amendments to IAS 7 and IFRS 7	Disclosures: Supplier Finance Arrangements	31 December 2024
Amendments to IAS 21	Lack of Exchangeability	31 December 2025

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.

As at 31 December 2023 the Group had a cash balance (excluding amounts with unit-linked insurance policies) of £7,420,418 (2022 (restated): £8,033,180) and net current assets of £3,461,434 (2022 (restated) £4,422,165). The Group has no material debt other than amounts borrowed to finance policy holder loans, which are backed by the assets in the life policies.

With the issue of a new $20 million life policy in December 2023, a significant inflow into the Alpha Alternatives Fund and a new sub-lease of the office in California, the Group is projecting to be cash neutral from the start of the year and there are several ongoing projects any one of which, if they achieve are successful, will result in the Group becoming cash flow positive. In the mean time the Group paid off its short term loan during the past year, generated significant profits on the termination of the sub-lease and generally was in a position to improve its record on timely payment of creditors.

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 profits of £201,175 (2022: losses £360,745) were made 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.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

e) Basis of consolidation (continued)

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 Management. Prior year numbers in the Statement of Comprehensive Income for AILAC and Havelet only include revenue and expenses for one month as they were acquired towards the end of 2022, although in the case of AILAC an adjustment was made to reflect the fact that under the terms of the sale and purchase agreement, the Group benefited from all net revenues after 31 July 2022.

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.

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.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

g) Financial Instruments (continued)

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 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 under assets backing unit-linked and contractual liabilities as are the offsetting unit-linked and contractual liabilities reported as such. Movements in fair value are recognised in profit and loss but will offset each other.

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)

g) Financial Instruments (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.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

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 Alpha Alternatives Fund and the acquisitions of PLAC, AILAC and Havelet. The Directors are satisfied that no group of projects constitutes a separate segment as all projects are overseen by the two Executive Directors jointly with no separate business head.

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. On expiry of the warrants or options any amount previously recognised in respect of those share-based payments is directly credited to retained reserves.

In addition to the above the Company when placing shares through its Broker had 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.

During the year some of the broker warrants were exercised resulting in the elimination of the share based payment reserve created on their issue and a reduction in the share premium amount. Some employee options expired and this resulted in a reduction to the option reserve and an increase in retained earnings.

Details of outstanding warrants and employee options and the inputs to the models used to calculate fair value can be found in notes 17 and 18.

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 19.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

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.

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

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

All of the unit-linked policies offered by the Group are principally issued with a view to policyholders gaining the tax benefits of holding investments within a life assurance wrapper. Whilst a small number of these contracts also transfer a significant insurance risk to the Group, this insurance risk is fully reinsured. Furthermore the mortality risk charges are stepped annually to ensure all risks are fully reflected in the policyholder charges.

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 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

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

p) Intangible assets (continued)

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.

On the acquisition of Havelet the amount by which the fair value of liabilities on acquisition exceeded the fair value of assets was treated as an intangible asset representing the right to future management fees under contracts in place on acquisition. These rights are being written off over ten years, being the average remaining life of the contracts.

On acquisition of PLAC the excess of the consideration paid over the fair value of net assets acquired (including the AVIF) was treated as goodwill. Similarly the excess of the fair value of the shares issued in consideration for the minority interest over the net assets attributable to that minority interest have been added to goodwill during the year.

All intangible assets are 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

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.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

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 backing unit-inked and contractual liabilities

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. The fair value of the underlying financial assets which is £434,721,0126 (2022: £431,505,155) is based on valuations provided by third party managers. The Group may have limited access to the information necessary to verify that the valuation equates to fair value, although the total unit-linked liabilities will always equal the value of assets held in unit-linked policies.

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 2023 are discussed below:

Recoverability of Alpha Alternatives fund expenses

Group "Trade and other receivables" includes an amount of £425,271 (2022: £192,346) in respect of amounts paid under an expense cap agreement together with other organisational costs incurred in respect of the Alpha Alternatives Fund. The recovery of these amounts is dependent on whether the assets under management of the Alpha Alternatives Fund are to grow sufficiently such that the expense ratio of that fund falls below a target level. Whilst the Fund attracted a significant inflow just before the year end which reduced the risk of non-recovery and the Directors believe that the Alpha Alternatives Fund is likely to attract significant additional 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 £425,271 and there will be a commensurate charge in the Statement of Comprehensive Income.

Treatment of investment contracts

As noted in note 2 (b) and 2 (o) the Company has decided to treat all unit-linked contracts as investment contracts under IFRS 9 consistent with the prior year treatment. If those contracts which transfer significant insurance risk to the Group were treated as insurance contracts this would alter the presentation of them in these financial statements and might alter the fair value of assets and liabilities. The Directors' own analysis indicated that the only changes from treating some investment contracts as insurance contracts would have been presentational.

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 £1,832,146 (2022: £246,583) are from the one geographical area of North America with AILAC related revenues being from Europe.

4. Expenses by Nature

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Directors' fees (Note 17)	445,224	105,527	640,870	640,870
Audit fees payable to Company auditors	75,000	75,000	62,570	62,570
Other audit fees	195,813	-	173,525	-
Costs relating to acquisitions	-	-	158,942	-
Amortisation of right of use assets	14,837	14,837	78,445	78,445
Professional and consultancy fees	286,933	222,428	151,899	151,899
Gain on lease	(147,805)	(147,805)	-	-
Other expenses	2,940,653	131,606	1,136,770	348,572
Operating expenses	3,810,655	401,593	2,403,021	1,282,356

5. Auditors' remuneration

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Fees payable to the Company's current auditor for the audit of the Company's annual accounts:	75,000	75,000	62,570	62,570
Fees payable to the Company's current auditor for non-audit services:	-	-	-	-

6. Income tax

Analysis of tax credit in the year

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Current tax	-	-	-	-
Deferred tax	135,182	-	85,402	-
Income tax	135,182	-	85,402	-

Notes to the Financial Statements (continued)

6. Income tax (continued)

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

Profit/(loss) before tax	(1,491,437)	201,175	3,093,176	(360,745)
Analysis of charge in the year				
(Profit)/loss on ordinary activities multiplied by rate of corporation tax in the UK of 19% (2022: 19%)	283,373	(38,223)	(587,703)	68,542
Bargain purchase not subject to tax	-	-	780,140	-
Expenses not deductible for tax purposes	(2,057)	-	(38,830)	(337)
Tax losses utilised/(carried forward)	(146,134)	38,223	(68,205)	(68,205)
Deferred credit tax for the year	135,182	-	85,402	-

The Group has accumulated tax losses of approximately £3,475,000 (2022: £3,600,000) 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 £660,000 (2022: £684,000)). A deferred tax asset of £617,887 (2022: £508,288) 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 loss for the year from continuing operations of £1,356,255 (2022: profit £3,178,578) for the Group by the weighted average number of ordinary shares in issue during the year of 458,046,069 (2022: 431,387,388). For diluted earnings per share the number of shares in issue is calculated using the same denominator since in both 2023 and 2022 the exercise price of warrants and options was higher than the average market price of the Company's during the year.

	2023	**2022 restated**
	£	**£**
Profit/(loss) for the year from continuing operations	(1,356,255)	3,178,578
Weighted average number of shares in issue	458,046,069	431,887,388
Fully diluted average number of shares in issue	458,046,069	431,887,388
Basic earnings per share	(0.2)p	0.7p
Fully diluted earnings per share	(0.2)p	0.7p

Potential dilutive shares are detailed in notes 18 and 19.

Notes to the Financial Statements (continued)

8. Investments in group undertakings

	Company £
Shares in group undertakings:	
Opening balance	**2,932,219**
Additions in the year	330,102
Disposals in the year	(1)
Closing balance	**3,262,320**

Investment in group undertakings are recorded at cost, which is the fair value of the consideration paid. During the year the year the Company acquired a 5% minority interest in Northstar Group (Bermuda) Ltd in exchange for the allotment of 12,696,231 ordinary shares of 0.1p each ("Ordinary Shares") at a deemed issued price of 2.6p per Ordinary Share. The Company's subsidiary, Pacific Longevity Limited, was struck off having never traded.

Principal subsidiaries

The group's subsidiaries at 31 December 2023 and 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* 2023	Ownership* 2022
Alpha Longevity Management Limited	British Virgin Islands	100%	100%
Pacific Longevity Ltd	N/A	N/A	100%
Alpha Group (Bermuda) Ltd	Bermuda	100%	100%
Havelet Assignment Company Limited	Barbados	100%	0%
Alpha Growth Management LLC	United States	100%	100%
Northstar Group (Bermuda) Ltd	N/A	N/A	95%
Providence Life Assurance Company Ltd	Bermuda	100%	95%
Alpha International Life Assurance Co Ltd	Guernsey	100%	95%

During the year Alpha Group (Bermuda) Ltd acquired the remaining 5% of the issued share capital of Northstar Group (Bermuda) Ltd and the two entities merged.

At the end of the reporting period all ownership interests are directly held by the Company except that PLAC, AILAC and Havelet are held through Alpha Group (Bermuda) Ltd.

The registered office of Alpha Longevity Management Limited as at the year-end was Sea Meadow House, PO Box 116, Road Town, Tortola, VG1110, BVI. Immediately following the year end it was redomiciled to Bermuda and its registered office is now at Atlantic House, 11 Par-la-Ville Road, Hamilton, HM11, Bermuda.

The registered office of Alpha 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.

Notes to the Financial Statements (continued)

8. Investments in group undertakings (continued)

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

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, AILAC and Havelet 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/DAC	Rights	Goodwill	Total
	£	£	£	£
Cost				
At 1 January 2023	1,334,005	113,388	138,005	1,585,398
Additions	-	-	58,586	58,586
Foreign exchange movement	(29,363)	-	-	(29,363)
At 31 December 2023	1,304,642	113,388	196,591	1,614,621
Amortisation/Impairment				
At 1 January 2023	76,508	-	-	76,508
Charge for the year	38,254	11,339	-	49,593
At 31 December 2023	114,762	11,339	-	126,101
Net book amount				
At 31 December 2023	1,189,880	102,049	196,591	1,488,520
A 31 December 2022	1,257,497	113,388	138,005	1,508,890

10. Trade and other receivables

	Group	Company	Group (Restated)	Company
	2023	2023	2022	2022
	£	£	£	£
Trade debtors	-	-	21,168	500,000
Other receivables	13,293,781	350,890	13,374,955	21,492
Loans and other client advances	540,249	559,785	237,919	354,807
Prepayments and accrued income	94,109	73,048	172,687	75,820
	13,928,139	983,723	13,806,729	952,119

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 2023	Company 2023	Group (Restated) 2022	Company 2022
	£	£	£	£
Cash at bank	7,420,418	122,499	8,033,180	9,751
Cash at bank – backing liabilities	10,950,357	-	17,458,191	-
	18,370,775	**122,499**	**25,491,371**	**9,751**

The Directors consider the carrying amount of cash and cash equivalents approximates to their fair value. Of the cash amounts held by the Group approximately £750,000 (2022: £750,000) is required for regulatory capital purposes and therefore not available to meet liabilities.

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 2022	904,664,388	431,887,388	431,887	5,388,152	113,390
Authorisation lapsed	(180,880,188)	-	-	-	-
Share issues	-	35,887,689	35,888	891,420	(113,390)
Share issue costs	-		-	(30,610)	-
At 31 December 2023	723,784,200	467,775,068	467,775	6,248,962	-

Of the authorised share capital 105,555,132 ordinary shares are reserved for issue under options and warrants, See notes 17 and 18 for the terms on which those shares can be issued.

13. Trade and other payables

	Group 2023	Company 2023	Group (Restated) 2022	Company 2022
	£	£	£	£
Current liabilities				
Trade payables	585,499	1,501	401,711	42,525
Short term loan	-	-	350,000	350,000
Intergroup liabilities	-	41,685	-	41,685
Other creditors	4,481,846	-	3,629,623	-
Accruals	308,450	104,667	444,664	195,825
	5,375,795	147,853	4,825,998	630,035

Notes to the Financial Statements (continued)

14. Assets backing unit linked and contractual liabilities (restated)

The Group operates a unit-linked life assurance business through the wholly owned subsidiaries PLAC and AILAC (Life Companies). They provide investment products through a life assurance wrapper. AILAC products are not subject to any material insurance risk and are therefore recognised and accounted for as financial instruments and presented as financial liabilities due to the policyholders within unit-linked liabilities. Whilst some PLAC contracts transfer significant insurance risks, the Company has decided to continue to treat them as investment contracts for consistency..

The Group also operates a liability assignment business through Havelet whereby financial investments are held by the Group against structured settlement contracts.

The contractual rights and obligations of the investments remain with the Group and the fair value of the investments is therefore included on the balance sheet, together with the liability to the policyholders. The Group earns fee income for both providing the life assurance wrapper or structured settlement arrangement and for administering the policies which is included in revenue.

Financial assets and liabilities held by AILAC, PLAC and Havelet are measured at fair value through profit and loss, other balances include cash and receivables, which are measured at amortised cost. The assets are regarded as current assets as they represent the amount available to the policyholders who are able to withdraw their funds on call, subject to certain restrictions in case of illiquidity or, in the case of Havelet, contract terms. Gains and losses from assets and liabilities held to cover obligations to policyholders are attributable to those policyholders. As a result, any gain or loss is offset by a change in the obligation to policyholders.

	Group 2023 £	Group 2022 £
Financial liabilities due to unit-linked policyholders	427,809,449	424,441,781
Structured settlement amounts due to Havelet policyholders	6,911,565	7,063,374

There is no material risk to the Group arising from the investment portfolios held by PLAC, AILAC or Havelet as all of the policyholder liabilities related to financial investments and cash are directly linked to the value of the policyholder investments held.

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.

Notes to the Financial Statements (continued)

14. Assets backing unit linked and contractual liabilities (continued)

At 31 December 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
	£	**£**	**£**	**£**
Receivables	5,895	-	-	5,895
Cash and cash equivalents	10,950,357	-	-	10,950,357
Fixed income	8,364,576	-	-	8,364,576
Equities	266,625,362	-	3,441,771	270,067,133
Investment funds	96,479,539	7,119,849	23,245,594	126,844,982
Private placements	-	-	12,235,733	12,235,733
Direct investment	1,971,131	-	4,281,209	6,252,340
	384,396,860	**7,119,849**	**43,204,307**	**434,721,016**

At 31 December 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
	£	**£**	**£**	**£**
Receivables	6,179	-	-	6,179
Cash and cash equivalents	17,458,191	-	-	17,458,191
Fixed income	27,069,555	-	-	27,069,555
Equities	281,143,387	6,491,257	27,082,449	314,717,093
Investment funds	53,967,710	-	-	53,967,710
Private placements	-	-	11,777,442	11,777,442
Direct investment	-	-	6,508,985	6,508,985
Unit linked assets	**379,645,022**	**6,491,257**	**45,368,876**	**431,505,155**

The Group's level 3 financial assets comprise holdings in pooled investment vehicles, including private equity funds and real-estate funds. The pooled investment vehicles are measured in accordance with the valuation policies adopted by the operators of those funds who generally follow an international standard such as the International Private Equity and Venture Capital Valuation Guidelines 2018 Private placements generally represent private equity investments that are planning to list their shares in the short term. Such holdings are generally valued at cost, although if a target listing price has been established then the fair value will be altered to reflect that target price with a discount related to any uncertainty. Direct investments represent loans or investments into real assets and are valued at cost unless there is evidence to support a different fair value.

15. 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 16.

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 2023 (2022: £nil).

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

Notes to the Financial Statements (continued)

15. Related party disclosures (continued)

were no balances outstanding between the Company and Kango Group at 31 December 2023 (2022: £nil).

Directors fees paid to Neil Warrender were paid to LPR Consulting LLP ("LPR"). LPR was connected by way of Mr Warrender being the Managing Partner until 30 September 2023. LPR also lent the Company £350,000 in 2022 on which was charged interest for the year of £11,000 (2022: £10,000). The loan and interest were fully repaid during 2023. Operating expenses for the year include £35,250 (2022: £nil) charged by LPR for accounting services to the Group and share issue costs include £1,000 (2022: £nil) charged by LPR for preparing filings. The Company owed LPR £29,667 in accrued directors fees and consultancy fees at 31 December 2023 (2022: £350,000 loan, £10,000 accrued interest).

16. Directors' emoluments

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

	Fees	**Other**	**Total**
Name of Director	**£**	**£**	**£**
Gobind Sahney	240,089	-	240,089
Jason Sutherland	127,546	-	127,546
Neil Warrender	32,000	-	32,000
	399,635	-	399,635

Mr Sahney's emoluments include an amount of £33,000 settled by payment of his medical insurance.

17. Share warrants

During the year all of the 18,750,000 broker warrants issued in 2021, with an exercise price of 2p per warrant were exercised.

All of the 187,500,000 shareholder warrants which were exercisable at 3p per share expired in December 2023. Details of the movement in warrants in issue during the year are provided in the table below.

	2023 Number of warrants	**Weighted average exercise price**	2022 Number of warrants	Weighted Average exercise price
	000's	**£**	000's	£
Outstanding at the beginning of the year	**206,250**	**0.029**	206,250	0.029
Exercised during the year	**(18,750)**	**0.02**	-	-
Expired during the period	**(187,500)**	**-**	-	-
Outstanding at the end of the period	**Nil**	**Nil**	206,250	0.029
Exercisable at the end of the period	**Nil**	**Nil**	206,250	0.029

Notes to the Financial Statements (continued)

18. Share-based payment awards

During the year, the Company issued no further share options as the Remuneration Committee is considering how best to align the interests of management with those of shareholders. The total options granted in each accounting period up to 31 December 2022 represented 10% of the issued share capital of the Company at the end of that accounting period. 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. All options issued to date 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). During the year 3.2 million options (2022: nil) lapsed having reached the end of their five-year life and 29.2 million options (2022: nil) lapsed due to the option holder having left the Group.

The share options outstanding at 31 December 2023 had a weighted average contractual life of approximately 3 years. Share options outstanding during the year ended 31 December 2023 and year ended 31 December 2022 were as follows:

	2023 Number of options	**Weighted average exercise price**	2022 Number of options	Weighted average exercise price
	000's	**£**	000's	£
Outstanding at the beginning of the period	**136,963**	**0.0295**	93,774	-
Granted during the period	**-**	**-**	43,189	0.0295
Lapsed during the period	**(31,297)**	**0.0295**	-	-
Outstanding at the end of the period	**105,666**	**0.0295**	136,963	0.0295
Exercisable at the end of the period	**105,666**	**0.0295**	136,963	0.0295

Notes to the Financial Statements (continued)

19. Financial Instruments

The following table sets out the categories of financial instruments held as at 31 December 2023 and 31 December 2022:

	Group 2023	Company 2023	Group 2022 (restated)	Company 2022
	£	£	£	£
Financial assets				
Financial assets measured at fair value through profit and loss				
Financial investments held within unit-linked policies or to meet contractual liabilities	423,770,659	-	414,046,964	-
Cash and cash equivalents held within unit-linked policies	10,950,357	-	17,458,191	-
Cash and cash equivalents	7,420,418	122,499	8,033,180	9,571
Right of use assets	143,422	143,422	183,672	183,672
Trade debtors and other receivables	13,834,030	910,675	13,634,042	876,299
Loans to policyholders	10,178,506	-	6,718,811	-
Financial liabilities				
Financial liabilities measured at fair value through profit and loss				
Unit linked investment liabilities	427,809,449	-	424,441,781	-
Structured settlements	6,911,565	-	7,063,374	-
Financial liabilities measured at amortised cost				
Trade and other payables	5,067,345	43,186	4,381,334	434,210
Policy claims payable	12,705,096	-	12,260,000	-
Short term loans	10,174,784	-	6,714,911	-
Lease liabilities	170,386	170,386	238,483	238,483

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. The Group provides policyholders with the option to borrow against the value of their policies and has a facility with a financial institution to support those loans but all interest risk on such loans is borne by the policyholder backed, as necessary, by the assets in the policy.

Notes to the Financial Statements (continued)

19. Financial Instruments (continued)

c) Foreign currency risk

Three of the subsidiaries have a functional and reporting currency of US Dollars and hold substantially all of their assets and liabilities in US Dollars which exposes the Group to foreign currency risk. Furthermore the Company has a US Dollar bank account as some of the fees it earns are US Dollar denominated. The US Dollar exposures to financial assets and liabilities of the Group and Company (excluding those where policyholders are exposed to the risk) are as follows:

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Financial assets				
Cash and cash equivalents	**735,701**	**33,458**	243,646	1,178
Trade debtors and other receivables	**863,047**	**-**	547,950	-
Loans to policyholders	**10,132,687**	**-**	6,718,811	-
Financial liabilities				
Trade and other payables	**(961,397)**	**-**	(512,799)	-
Short term loans	**(10,174,784)**	**-**	(6,714,911)	-
Net foreign currency exposure	**595,254**	**33,458**	282,698	1,178

A 5% appreciation in sterling against the US Dollars would accordingly lead to a loss of £29,763 (2022: £14,135) for the Group and £1,673 (2022: £59).

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, the greatest concentration of credit risk was to Utmost who hold some of the AILAC policies within their life assurance company and owe AILAC amounts on policies that have been redeemed. 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', mostly with Barclays. The Group and Company's exposure to credit risk at the year end is detailed below:

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Financial assets				
Cash and cash equivalents	**7,420,418**	**122,499**	8,033,180	9,751
Short term investments	**360,430**	**-**	345,836	-
Trade debtors and other receivables	**13,928,139**	**983,723**	13,806,729	952,119
Total credit exposure	**21,708,987**	**1,106,222**	22,185,745	961,870

Notes to the Financial Statements (continued)

19. Financial Instruments (continued)

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.

The Group's exposure to liquidity risk is low as the Group holds cash balances in instant access bank accounts, which are more than sufficient to meet all liabilities other than those which are backed by liquid assets in unit-linked policies. Excluding amounts which are held for asset-backing of liabilities, the Group has cash balances of £7,420,418 (2022: £8,033,180) and financial liabilities (excluding those backed by unit-linked policies) of £10,950,357 (2022: £17,458,191).

f) Capital risk management

The Group's approach to capital management is to seek to maintain sufficient capital to meet the operational and regulatory needs of the Group whilst using options and warrants to incentivise the Directors and other key stakeholders to provide additional capital as and when the share price improves. In addition, the Group will opportunistically raise additional capital where the Directors identify investment opportunities which are expected to enhance shareholder value and move the Group close to its 2B strategic aim. The Group does not currently have any borrowings (other than those to finance policyholder loans) but may utilise short-term borrowing in order to meet due diligence costs ahead of an expected acquisition.

The Company is not subject to any regulatory capital requirements but both the insurance subsidiaries are subject to minimum solvency requirements. Of the total capital held by the Group of £5.7 million (2022: £6.6 million) approximately £0.75 million (2022: £0.75 million) is required for regulatory capital purposes.

The Company does not currently pay dividends nor does it expect to be in a position to buy-back its shares for the foreseeable future although it has the right to do so in accordance with limits set at the AGM.

20. Average number of people employed

Average number of people employed, including Directors:

	Group 2023	**Company 2023**	**Group 2022**	**Company 2022**
	Number	Number	Number	Number
Office and management	5	3	5	4

21. Subsequent events

Effective 1 February 2024 the right of use asset was sub-let for a second time. The sub-lease covers the remaining 28 month term of the head lease and the sub-lease payments represent approximately 85% of those due to be paid by the Company under the headlease.

Notes to the Financial Statements (continued)

22. 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. At the start of the year the Company sub-let the office under an agreement that was intended to cover the remaining term of the head lease but in the term the entity that acquired the sub-let bought themselves out in September 2023. In accordance with IFRS 16 the right of use asset was treated as disposed of on being sub-let and reacquired when the sub-lease was cancelled. Additional information on the right of use asset is as follows:

	Group & Company £
Office:	
Opening balance	**183,672**
Disposal during the year	(183,672)
Additions in the year	158,259
Amortisation during the year	(14,837)
Closing balance	**143,422**

The net present value of lease liabilities are all due within 3 years and comprise:

	Group & Co 2023 £	Group & Co 2022 £
Lease payments	159,366	215,985
Finance charges	11,020	22,498
	170,386	**238,483**