

# ALPHA PROSPECTS PLC

(‘Alpha’ or the ‘Company’)

## Interim Results

Alpha Prospects Plc is a management holding company listed on the GXG growth market. . The Company’s strategy is to make investments in companies with fast growth and/or recovery prospects.

The Company is pleased to announce its unaudited financial results for the six month period ended 28 February 2014. The results are better than expected: the loss for the period was £33,955 (2013: loss of £70,853), whilst in the period the gross assets increased by £293,441 to £3,072,395. The Company currently holds six main investments including a 30% stake in Derlite Co Limited, which was acquired in November 2013. The other investments are ROK Stars plc, Active Energy Group plc, Coleridge Resources Inc., ROK Global plc, and Tasmania Oil and Gas Limited.

On 24 January 2014 a resolution was passed at a General Meeting to move its Stock Exchange listing from ICAP Securities & Derivatives Exchange Limited growth market to GXG First Quote Market. GXG Markets is an exchange operator focusing on European small and medium sized enterprises. GXG Markets operates in accordance with the MiFID legislation under the supervision of the Danish FSA (Finanstilsynet).

### Chairman’s Statement

In the past year the Board has acquired a range of assets across a variety of sectors and the Board is optimistic that in the current reporting period shareholders will see some positive developments from these investments. The major highlights from the portfolio during the period under review are:

#### New Investment – Derlite Co Limited

Derlite, in which Alpha has a 30% shareholding, is an electronics manufacturing company based in Thailand that specialises in the manufacture of gas ignition systems for the white goods industry.

It is registered in Hong Kong and comprises a factory in Thailand currently employing 160 staff, together with a UK registered distribution company, Gasignition Ltd. Derlite’s product range includes spark electrodes, spark modules, wiring and power cords and Derlite’s customers include many household names.

Originally established in Cornwall in 1969 the business relocated to Thailand in 2003 and is equipped to manufacture a full range of components for the white goods market and has capacity available to expand into other areas.

The performance reports received by the Board show excellent growth in sales so far this year.

#### Active Energy Group plc (“AEG”)

The pan-European supplier of high-quality wood chip and associated timber products for MDF manufacturing and green energy Biomass power generation has won three new contracts with

Turkish companies to supply wood for MDF manufacture worth, on an annualised basis, cUS\$33 million.

Active Energy also entered into a full-service logistics agreement to streamline its port and loading operations so that the considerable uplift in demand for its MDF-quality wood chip can be handled efficiently and cost effectively.

Although affected by the troubles in Ukraine the company has taken steps to mitigate any problems.

It is establishing a new processing and logistics operation in Montenegro and it has signed a supply agreement with a well-established local partner, NK Energija DOO, which will enable AEG to ship BFE wood chip to its Italian power plant customers in less time and at less cost than has previously been possible from Ukraine.

In addition, having completed successful trials, a procurement and shipping centre has been set up in Spain to source finished BFE wood chip for onward delivery to power plants in Italy.

These arrangements have the potential to substantially reduce AEG's overall reliance on the Ukraine as its primary source of BFE feedstock.

Crucially, these arrangements are expected to also improve operating margins and ensure a stable and flexible supply channel for the Biomass fuel business.

## **ROK Stars plc**

ROK Stars is a consumer goods and environmental technologies development company.

In April its drinks division signed a multi-year exclusive agreement with leading Swedish beverages distributor, Galatea, for the distribution of Uisce Beatha Real Irish Whiskey across Sweden, and with Cellar Trends for the UK.

Galatea is a privately-owned premier beverages importer covering Sweden and, through partners, the entire Scandinavian market.

## **Outlook**

In the period, Alpha's investments have performed well, with the new investments in particular making excellent progress in the early months of the year.

We are in discussions regarding expanding the business and accessing additional funds. Both of which will allow us to grow at a faster rate.

Last year the Company showed a healthy increase in Net Assets and the Board is confident that this trend will be continued in the current year.

## **Steven Freudmann**

### **Chairman**

## Unaudited Financial Statements for the six months period ended 28 February 2014

### INCOME STATEMENT FOR THE PERIOD ENDED 28 FEBRUARY 2014

	<b>6 Months to 28 Feb 2014 (Unaudited)</b>	6 Months 29 Feb (Unaudite	Year to 31 Aug (Audited)
	£	£	£
<b>Continuing operations</b>			
Revenue	-	2,500	5,000
Cost of sales	-	-	-
	-	2,500	5,000
Administrative expenses	<b>(33,955)</b>	(27,535)	(235,556)
Administrative expenses – exceptional item	-	-	-
	<b>(33,955)</b>	(25,035)	(235,556)
Loss on disposal of assets	-	(45,818)	(45,818)
<b>Operating Loss</b>	<b>(33,955)</b>	(70,853)	(276,374)
Finance income	-	-	-
Finance expense	-	-	-
Net finance expense	-	-	-
<b>Loss before income tax</b>	<b>(33,955)</b>	(70,853)	(276,374)
Income tax expense	-	-	-
<b>Loss for the period from continuing</b>	<b>(33,955)</b>	(70,853)	(276,374)
<b>Earnings per share</b>			
Basic earnings per share - continuing and	<b>(0.01)p</b>	(0.03)p	(0.12)p
Diluted earnings per share - continuing and	<b>(0.01)p</b>	(0.03)p	(0.12)p

### STATEMENT COMPREHENSIVE INCOME FOR THE PERIOD ENDED 28 FEBRUARY 2014

	<b>6 Months 28 Feb (Unaudited)</b>	6 Months to 29 Feb 2013 (Unaudited)	Year to 31 Aug (Audited)
	£	£	£
<b>Loss for the period</b>	<b>(33,955)</b>	(70,853)	(276,374)
Other comprehensive income:			
Changes in fair value of available-for-sale	-	-	(342,538)
Other comprehensive income, net of tax	<b>(33,955)</b>	(70,853)	(342,538)

<b>Total comprehensive income</b>	<b>(33,955)</b>	(70,853)	(618,912)
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**STATEMENT OF FINANCIAL POSITION  
AS AT 28 FEBRUARY 2014**

	<b>6 Months to 28 Feb 2014 (Unaudited )</b>	6 Months to 29 Feb 2013 (Unaudited)	Year to 31 Aug 2013 (Audited)
	£	£	£
<b>Assets</b>			
<b>Non-current assets</b>			
Available-for-sale financial assets	<b>3,054,501</b>	1,597,039	2,754,501
	<b>3,054,501</b>	1,597,039	2,754,501
<b>Current assets</b>			
Trade and other receivables	<b>10,733</b>	5,340	7,349
Cash and cash equivalents	<b>7,161</b>	9,652	17,104
	<b>17,894</b>	14,992	24,453
<b>Total assets</b>	<b>3,072,395</b>	1,612,031	2,778,954
<b>Equity</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Ordinary shares	<b>1,305,577</b>	1,038,911	1,305,577
Share premium account	<b>3,367,731</b>	2,134,397	3,367,731
Shares to be issued reserve	<b>172,164</b>	50,491	172,164
Retained earnings	<b>(2,361,671)</b>	(1,779,657)	(2,327,716)
<b>Total equity</b>	<b>2,483,801</b>	1,444,142	2,517,756
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	<b>521,651</b>	-	221,651
	<b>521,651</b>		221,651
<b>Current liabilities</b>			
Trade and other payables	<b>66,943</b>	167,889	39,547
	<b>66,943</b>	167,889	39,547
<b>Total liabilities</b>	<b>588,594</b>	167,889	261,198
<b>Total equity and liabilities</b>	<b>3,072,395</b>	1,612,031	2,778,954

## BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union, IFRIC interpretations and the Companies Act 2006 as applicable to companies reporting under IFRS. These accounts have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and certain financial instruments.

The interim results do not constitute the statutory accounts within the meaning of s435 of the Companies Act 2006. The financial information in this report has not been audited or reviewed by the Company’s auditor.

The Directors do not recommend the payment of dividends.

**15<sup>th</sup> May 2014**

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### **Enquiries:**

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