

24 December 2018

Stranger Holdings plc ('Stranger' or 'the Company')
Interim Results

Stranger Holdings plc, the London listed investment company is pleased to announce its results for the period ended 30 September 2017.

Chairman's Report

Stranger is an investment company with the original primary objective of undertaking a single acquisition of a target company, business or asset in the industrial or service sector. To this end, it announced non-binding Heads of Terms to acquire Alchemy Utilities Limited ('Alchemy') ('the Acquisition') via a reverse takeover ('RTO') transaction as described below.

Results for the period

For the period from 1 April 2018 to 30 September 2018, the Company's results include the ongoing running costs of the Company and ongoing costs in connection with the reverse takeover of Alchemy, which is progressing but is still being reviewed by UKLA having been approved by the Takeover Panel. Because of the length of time these reviews have taken, we are having to update some of the financial information before we can finalise the prospectus. Subsequent to the approval of the Takeover Panel and UKLA, we will be able to conclude the regulatory processes and proceed with the calling of the General Meeting and the publication of the prospectus. The completion of the Acquisition, the placing and re-admission to trade in the standard segment of the London Stock Exchange will follow in due course. The board expects the Company to be re-admitted to the Official List and to trading on the main market for listed securities of the London Stock Exchange by the end of the first quarter of 2019.

The directors decided not to appoint corporate finance advisors to the Acquisition and RTO and therefore all the work in connection with the Acquisition, RTO and re-admission to trading on the Standard List of the London Stock Exchange has been undertaken by the directors. However, the directors have engaged accountants, lawyers, consultants and professionals where necessary to assist in the transaction and the Company has been obliged to request a professional opinion on certain matters from independent corporate finance advisors with regard to the Takeover Panel Review. Clearly, the length of time the transaction has had to take, together with the inherent complexities therein, has meant that the directors have had to devote substantially more time and effort on the transaction than would have normally been expected in the normal course of such a transaction. The directors have no control over the length of time the Takeover Panel may take reviewing the case and, again, have no control over the amount of reviews UKLA and the FCA may take in reviewing the prospectus. The directors have replied to all queries from both the Takeover Panel and UKLA as expeditiously as possible. The financial disclosures have therefore had to be updated in the prospectus

which again means more time, effort, money expended by all parties and further reviews by the regulatory bodies.

To assist with the growth of the business, Stranger entered into a loan facility agreement with Dover Harcourt Plc ('Dover') on 31 October 2017, which provides the Company access to a five-year loan up to £20 million. The facility is conditional on Dover issuing bonds on the Frankfurt Stock Exchange. The Company is actively marketing the bonds to retail investors and a copy of the teaser for the bond may be viewed on the Company's website, in order to extend the facility. Interest is charged at 7.75% per annum on the nominal value of the bonds issued. Fund raising has been slow and the directors intend to review the position of the facility post completion of the RTO of Alchemy. In the region of £400,000 has been raised to date after commissions of brokers but before costs of Bedford Row Capital and Dover, which are the issuers from whom Stranger effectively draw down a loan on the same terms as the "bond" is marketed, effectively a back-to-back arrangement. Audley Funding PLC is effectively a "pool" of Companies wishing to raise funds through the bond market.

The directors have also arranged loans from various connected companies and shareholders in addition to the sums down under the Audley Funding Facility as described above. The majority of these loans have been onward lent to Alchemy for its working capital purposes as the transaction has taken longer than expected due to the complexities of Irish Accounts, the extended summer period and the requirement for further accounts and disclosures given the extra time required to complete the transaction. The directors are pleased that completion is now close and look forward to approval of the transaction at the General Meeting. We have been able to pay down £118,500 of these loans to date from the proceeds of the bond loan facility described above.

Previously, in August 2017, the Company announced that it had signed a non-binding Heads of Terms to acquire the entire issued share capital of Alchemy, a multi - divisional, Irish based sustainable utility company, for new shares in the Company. The Acquisition, if completed, would result in Stranger shareholders having a minority interest in the enlarged group (the 'Group').

Alchemy is a specialist in the complex field of waste to synthetic gas production, renewable energy, and using waste energy to provide drinking water through the removal of salt and other contamination. It positions itself as the world leader in the delivery of renewable, low/zero carbon community-based schemes designed to deliver true 'circular economy', a model that looks beyond the current "take, make and dispose" extractive industrial model. It is a regenerative system in which resource input and waste, emissions, and energy leakage are minimised by slowing, closing and narrowing material and energy loops. This can be achieved by long - lasting design, maintenance, repair, reuse, remanufacturing, refurbishing and recycling. Further information is available at www.alchemyutilities.ie.

In its pursuit of a circular economy, Alchemy aims to innovate, deliver and operate full service projects, creating community based and private renewable projects utilising its own decentralised sustainable

utility technologies. Alchemy has established a collaboration agreement with Harper Adam's University. As a strategic development partners, HAU and their research partners including UCD, will provide additional resources and independent technical validation to the fully commercialised processes. (HAU is ranked as the UK's no1 agricultural and food technology University, and No1 in terms of their research and development facilities with industrial partners.).

Benefitting from an experienced management team, Alchemy has not only already successfully secured the ownership of strategic IP and patents but is in advanced stages of appointing a worldwide distribution network extending through Europe into Asia to enable the delivery of its innovative products.

The Acquisition continues to be subject, inter alia, to the completion of due diligence, documentation and compliance with all regulatory requirements, including the Listing and Prospectus Rules and, as required, the Takeover Code. The directors of Stranger and Alchemy are working closely together to ensure that the relisting is successful and that the group will thereafter have the financial and human resources and other business infrastructure required to enable the combined group to achieve its short to medium term growth and expansion plans.

The Future

The directors look forward with confidence to a bright future for the combined group and we very much look forward to working with the directors of Alchemy. Alchemy's technology is state of the art in the fields that it operates and is patent protected together with very strong IP. The interest shown in its technology by potential customers is growing and we fully expect that it will quickly move towards a robust turnover.

We thank our shareholders very much for their patience during the process of this RTO until completion of the Acquisition.

Risks and uncertainties

The Company is a relatively new entity, with only a brief operating history, and therefore, investors have no basis on which to evaluate the Company's ability to achieve its objective of identifying, acquiring and operating one or more companies or businesses.

Going Concern

As stated in the notes to the condensed financial statements, the directors are satisfied that the Company has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed financial statements.

Post Balance Sheet Events

The loan facility with Dover Harcourt Plc has been extended post period end by £41,000. Further details of the facility can be found in the Results for the period.

Responsibility Statement

We confirm that to the best of our knowledge:

- (a) the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting';
- (b) the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year; and
- (c) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

Cautionary statement

This Interim Management Report (IMR) has been prepared solely to provide additional information to shareholders to assess the Company's strategies and the potential for those strategies to succeed. The IMR should not be relied on by any other party or for any other purpose.

James Longley

Director

21 December 2018

	6 Months ended 30 September 2018 GBP ('000) (unaudited)	Period ended 30 September 2017 GBP ('000) (unaudited)	Year ended 31 March 2018 GBP ('000) (audited)
Administrative expenses	(140)	(382)	(554)
Listing costs	(27)	-	(76)
Reverse takeover costs	(10)	-	(170)
Finance costs	(77)	-	(21)
Loss before taxation	(254)	(382)	(821)
Taxation	-	-	-

Loss for the period	<u>(254)</u>	<u>(382)</u>	<u>(821)</u>
Loss per share - basic and diluted (pence)	<u>(0.17p)</u>	<u>(0.26p)</u>	<u>(0.56p)</u>

	As at 30 September 2018 GBP ('000) (unaudited)	As at 30 September 2017 GBP ('000) (unaudited)	As at 31 March 2018 GBP ('000) (audited)
Assets			
Current assets			
Trade & other receivables	316	19	259
Cash and cash equivalents	2	254	-
Non current assets			
Other debtors	63	-	30
Total Assets	<u>381</u>	<u>273</u>	<u>289</u>
Equity and Liabilities			
Share capital	145	145	145
Share premium	737	737	737
Profit and loss	(1,317)	(625)	(1,063)
Total Equity	<u>(435)</u>	<u>257</u>	<u>(181)</u>
Current Liabilities			
Trade and other payables	555	16	400
Total current liabilities	<u>555</u>	<u>16</u>	<u>400</u>
Long term liabilities			
Borrowings	261	-	70
Total long term liabilities	<u>261</u>	<u>-</u>	<u>-</u>

Total Liabilities	816	16	470
	<u> </u>	<u> </u>	<u> </u>
Total Equity and Liabilities	381	273	289
	<u> </u>	<u> </u>	<u> </u>

	Share Capital	Share premium	Retained earnings	Total
	GBP ('000)	GBP ('000)	GBP ('000)	GBP ('000)
Equity at 31 March 2017	145	737	(243)	639
Loss for the period			(382)	(382)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Equity at 30 September 2017	145	737	(625)	257
Loss for the period			(438)	(438)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Equity at 31 March 2018	145	737	(1,063)	(181)
Loss for the Period	-	-	(254)	(254)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Equity at 30 September 2018	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

6 months ended	Period ended	Year ended
30 September	30 September	31 March
2018	2017	2018

	GBP ('000)	GBP ('000)	GBP ('000)
	(unaudited)	(unaudited)	(audited)
Cash flows from operating activities			
Operating loss	(254)	(357)	(821)
(Increase) in trade and other receivables	(90)	28	(241)
Increase/(decrease) in trade and other payables	155	(28)	451
	<hr/>	<hr/>	<hr/>
Net cash flows from operating activities	(189)	(357)	(611)
Cash flows from financing activities			
Net proceeds from issue of bonds	191	-	-
	<hr/>	<hr/>	<hr/>
Net cash flows from financing activities	191	-	-
	<hr/>	<hr/>	<hr/>
Net increase in cash and cash equivalents	2	(357)	(611)
Cash and cash equivalents at the beginning of the period	-	611	611
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	2	254	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED INTERIM CONDENSED REPORT

General Information

Stranger Holdings Plc ('the company') is an investment company incorporated in the United Kingdom. The address of the registered office is 27-28 Eastcastle Street London W1E 8DN. The Company was incorporated and registered in England and Wales on 22 October 2015 as a private limited company and re-registered on 14 November 2016 as a public limited company.

1. Basis of preparation

This announcement was approved and authorised to issue by the Board of directors on 21 December 2018.

The financial information in this interim report has been prepared in accordance with the International Financial Reporting Standards. IFRS comprises standards issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union (EU).

There are no IFRS, or IFRIC interpretations that are effective for the first time in this period that would be expected to have a material impact on the company.

The financial information has been prepared under the historical cost convention, as modified by the accounting standard for financial instruments at fair value.

The Directors are of the opinion that the financial information should be prepared on a going concern basis, in the light of the Company's financial resources.

These condensed interim financial statements for the six months ended 30 September 2018 and 30 September 2017 are unaudited and do not constitute full accounts. The comparative figures for the period ended 31 March 2018 are extracted from the 2018 audited financial statements. The independent auditor's report on the 2018 financial statements was not qualified. An emphasis of matter was included in the 2018 audited financial statements as follows: as at the year end, the Company has advanced £210,000 to Alchemy, the target of the reverse takeover. The recoverability of the debt is dependent of the successful development of the company and its various projects. The financial statements do not include the adjustments to provide for the balance. Furthermore, the auditors drew attention to the fact that the Company is dependent upon additional fundraising from the bond facility. This indicates that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. Their opinion was not modified in respect of this matter.

No taxation charge has arisen for the period and the Directors have not declared an interim dividend.

Copies of the interim report can be found on the Company's website at www.strangerholdingsplc.com.

Going concern

The forecast cash-flow requirements of the business are contingent upon the ability of the Company to attract investors in the bonds issued by Dover to extend the credit facility to the Company. The directors are satisfied that the Company has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed financial statements.

2. Loss per share

Basic loss per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

For diluted loss per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

The calculation of basic and diluted earnings per share is based on the following figures:

	6 months ended	Period ended	Year ended
	30 September	30 September	31 March
	2018	2017	2018
	GBP ('000)	GBP ('000)	GBP ('000)
	(unaudited)	(unaudited)	(audited)
Loss for the period	(254)	(382)	(821)
Weighted average number of shares - basic and diluted	145,770,000	145,770,000	145,770,000
Basic and diluted earnings per share	(0.17p)	(0.26p)	(0.56p)

The basic and diluted earnings per share are the same as there were no potential dilutive shares in issue during the period.

3. Share Capital

	As at	As at	As at
	30 September	30 September	31 March
	2018	2017	2018
	GBP ('000)	GBP ('000)	GBP ('000)
	(unaudited)	(unaudited)	(audited)
145,770,000 Ordinary shares of £0.001 each	(145)	(145)	(145)

4. Reports

A copy of this announcement will be mailed to shareholders and copies will be available for members of the public at the Company's Registered Office 27-28 Eastcastle Street London W1E 8DN.

