

Blackwell Global Holdings Limited (NZX: BGI)**Full Year preliminary unaudited announcement for the 12 months ended 31 March 2021****Commentary**

AUCKLAND, New Zealand, 31 May 2021 - The Board of Blackwell Global Holdings Limited (NZX: BGI) provides the market with their full year update for the 12 months ended 31 March 2021.

Results for Announcement to the Market

Reporting Period	12 months to 31 March 2021
Previous reporting period	12 months to 31 March 2020

	Amount (000s)	Percentage change
Revenue from ordinary activities	NZ\$135	(69%)
Loss from ordinary activities after tax attributable to security holder	NZ\$(427)	36%
Net profit attributable to shareholders	NZ\$(427)	36%

Interim/Final Dividend	Amount per share	Imputed amount per share
The company does not propose to pay a dividend at this time.	Not applicable	Not applicable

Record Date	Not applicable
Dividend Payment Date	Not applicable

Comments:	See below
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Lending Operations Discontinued

As previously advised to the market, during the course of the financial year the Directors resolved to wind down the Group's finance company operations given the Company was unable to raise sufficient funding to grow and develop a meaningful finance company operation.

The Company's loan book as at 31 March 2021 was \$643,672 represented by one loan. The loan was secured by a first mortgage over residential property. It is anticipated that this loan will be repaid in full during the course of June 2021.

In parallel with the wind down of the finance company operation, the Board implemented a number of strategies to reduce the outgoings of the Company. These initiatives included the disestablishment of the roles of Chief Executive Officer and Chief Operating Officer. Both executives left the employment of the group in February 2021.

During the course of the financial year, one of the non-executive directors Ewe Leong Lim elected to retire from the his role with the Group effective from 31 March 2021.

Changes in Accounting Policy

The consolidated financial statements have been prepared using the same accounting policies detailed in the Group's audited consolidated financial statements for the year the ended 31 March 2021.

There are no other NZ IFRS, or NZ IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

Bonds

The bond agreement with Blackwell Global Group Limited was amended by Deed of Variation dated 24 March 2020 where the maturity date was extended from three to four years, and the interest rate reduced from 6% to 0% for six months starting 24 March 2021. On 25 November 2020 a Letter of Undertaking was agreed with Blackwell Global Group Limited further extending the bond maturity date to 30 June 2022, with 0% interest until maturity. The net present value of the bonds has been readjusted on the balance sheet for the present value of the face values at maturity using the original effective interest rate of 6% per annum.

Other than the above, there has been no reassessment of the useful life of assets or their residual values. While the Company has secured a varied bond term, and interest rate mentioned above, and the present value discount rate has been adjusted to reflect this change, it has not been further adjusted due to any impact from the Coronavirus, as it is not deemed to have been affected.

Revenue from contracts with loan holding customers have not been impacted. No impairment losses have been recognised on financial instruments in these unaudited results, as there has been no significant change in the risk profile of the loan receivables.

Going Forward

The Board is actively looking to identify a suitable business opportunity to invest in and/or acquire through a reverse takeover transaction (RTO). Discussions have been had with several potential acquisition targets to date, but none of those discussions have developed into a tangible transaction to date.

What is an RTO?

An RTO is a transaction structured such that the Company would acquire 100% of the business assets, or the shares in the company that owns the business assets, in consideration for the payment of cash and/or the issue of new shares in the Company, to the vendors, to fund the acquisition.

The new business acquired would then effectively become a subsidiary of the Company (the listed company), trading on the NZX Main Board. The stakeholders in the business acquired, would ultimately become shareholders in the Company as part of the RTO, and would have representation at the Board level as appropriate.

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Full Year preliminary unaudited announcement for the 12 months ended 31 March 2021

In conjunction with the RTO process, the Company would seek to raise additional growth capital to assist in funding the future growth of the business.

Investment Criteria

The Board is focusing on business opportunities that satisfy one or more of the following investment criteria:

- The business has excellent personnel and management
- The business operates in an attractive and positive business sector
- The business has a robust business model
- The business has solid historical earnings, or alternatively has a sound business platform from which to implement its business plan and generate strong earnings in the future;
- The business owns proprietary intellectual property
- The business has potential to grow organically, via acquisition, or through the further investment in capital plant
- The business has the potential to scale internationally
- The business would benefit from being able to raise additional capital on the market
- Is likely to generate superior returns for the Company and its existing shareholders

The Board continues to investigate all credible investment opportunities that may present themselves and are hopefully of having a transaction underway during the course of this calendar year.

Earnings per Share and Net Tangible Asset per security

The earnings per share are shown below the Consolidated Statement of Comprehensive Income. The net tangible asset backing per security is shown below the Consolidated Statement of Position.

Audit

The consolidated financial statements are to be audited.

Future Events

Event	Date
Annual Report due	30 June 2021

ENDS

Authority for this announcement

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Date of release: 31 May 2021

Consolidated Statement of Comprehensive Income**Blackwell Global Holdings Limited****For the year ended 31 March 2021**

	2021	2020
	\$	\$
Revenue		
Interest and fee income	135,446	436,170
Other income	392,923	156,359
Total Income	528,369	592,529
Expenses		
Directors' fees	(171,000)	(286,500)
Employee expenses	(291,553)	(275,400)
Interest expense	(138,947)	(283,283)
Other operating expenses	(354,338)	(412,693)
Total expenses	(955,838)	(1,257,876)
Loss before income tax	(427,470)	(665,347)
Income tax benefit/(expense)	-	-
Total comprehensive loss for the year	(427,470)	(665,347)
Attributable to:		
Owners of the parent company	(427,470)	(665,347)
Earnings/(loss) per share		
Basic (loss) per share (cents per share):	(0.09)	(0.15)

Statement of Changes in Equity
Blackwell Global Holdings Limited
For the year ended 31 March 2021

	Share capital	Contributed capital	Convertible note reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$
Balance at 1 April 2019	12,110,746	127,516	114,716	(11,378,312)	974,666
Loss for the year	-	-	-	(665,347)	(665,347)
Total comprehensive loss for the year	-	-	-	(665,347)	(665,347)
Convertible notes converted to shares	495,631	-	-	-	495,631
Reversal of convertible note reserve	-	-	(114,716)	-	(114,716)
Balance at 31 March 2020	12,606,377	127,516	-	(12,043,659)	690,234
Balance at 1 April 2020	12,606,377	127,516	-	(12,043,659)	690,234
Loss for the year	-	-	-	(427,470)	(427,470)
Total comprehensive loss for the year	-	-	-	(427,470)	(427,470)
Balance at 31 March 2021	12,606,377	127,516	-	(12,471,129)	262,764

Consolidated Statement of Financial Position

Blackwell Global Holdings Limited

As at 31 March 2021

	2021	2020
	\$	\$
Current assets		
Cash and cash equivalents	1,986,671	1,805,615
Prepayments and other receivables	8,347	16,894
Loan receivables	643,672	1,548,901
Total current assets	2,638,690	3,371,410
Non-current assets		
Prepayments and other receivables	75,000	75,000
Property, plant and equipment	5,858	10,126
Total non-current assets	80,858	85,126
Total assets	2,719,548	3,456,535
Current liabilities		
Trade and other payables	58,597	83,279
Accruals, provisions and other liabilities	29,627	170,901
Borrowings	44,178	44,178
Total current liabilities	132,402	298,358
Non-current liabilities		
Borrowings	2,324,382	2,467,945
Total non-current liabilities	2,324,382	2,467,945
Total liabilities	2,456,784	2,766,302
Net assets	262,764	690,233
Equity		
Share capital	12,606,377	12,606,377
Contributed capital	127,516	127,516
Accumulated losses	(12,471,129)	(12,043,659)
Total equity	262,764	690,233
Net tangible assets per share (cents per share):	0.05	0.14

Consolidated Statement of Cash Flows

Blackwell Global Holdings Limited

For the year ended 31 March 2021

	2021 \$	2020 \$
Cash flows from operating activities		
Interest received	67,859	346,725
Lending, credit fees and other income received	32,570	125,066
Operating inflows	100,429	471,791
Net advances in loan receivables	943,200	3,820,159
Payments to suppliers and employees	(858,840)	(775,745)
Interest paid	(2,838)	(290,040)
Income taxes refunded	59	47
Repayment of GST liability	-	(18,750)
Operating outflows	81,581	2,735,672
Net cash used in operating activities	182,010	3,207,463
Cash flows used in investing activities		
Purchase of property, plant and equipment	(954)	(10,532)
Net cash used in investing activities	(954)	(10,532)
Cash flows from financing activities		
Payments of borrowings	-	(2,900,000)
Payments for issue of share capital	-	(4,370)
Net cash flow from financing activities	-	(2,904,370)
Net increase in cash and cash equivalents	181,056	292,561
Cash and cash equivalents at the beginning of the period	1,805,615	1,513,055
Cash and cash equivalents at the end of the year	1,986,671	1,805,615

Reporting of Segments

Operating segments are reported in the manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker is identified as the Board of Directors. The Group internally reported as a single operating segment to the chief decision-maker.