

BLACKWELL GLOBAL HOLDINGS LIMITED**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

Notice is given that the Annual Meeting of shareholders of Blackwell Global Holdings Limited (*BGI* or the *Company*) will be held online at www.virtualmeeting.co.nz/bgi21 on **Tuesday, 28 September 2021 at 11 am**.

For reasons associated with the COVID-19 pandemic, we will be holding the meeting online only. We apologise for this, but due to the changing nature of Alert level restrictions and potential risks to the health of meeting attendees we believe this is in everyone's best interests.

Shareholders will be able to attend and participate in the 2021 Annual Meeting via the Link Market Services Annual Meetings Platform at www.virtualmeeting.co.nz/bgi21 in a Virtual Annual Meeting. By signing up for the Virtual Annual Meeting, you will be able to watch the Annual Meeting, vote and ask questions by logging on using your computer from anywhere a broadband connection is available.

BUSINESS OF THE MEETING**1. Re-election of Director**

"That Mr Say Chan Law, who retires in accordance with the provisions of the Constitution of the Company and, being eligible, offers himself for re-election as a Director of the Company."

2. Remuneration of Auditors

"To record the appointment of William Buck Audit (NZ) Limited as Auditors of the Company under section 200 of the Companies Act, and to authorise the Board to fix their remuneration for the forthcoming year."

3. Capitalisation of bonds

"To approve the issue of 71,428,571 ordinary shares in the Company to Blackwell Global Group Limited, being the majority shareholder of the Company at a price of \$0.007 per share, to be satisfied by capitalising \$500,000 of its secured bonds shares in the Company, as explained further in the explanatory notes."

NOTES**1. Explanatory notes**

Explanatory notes on the business of the meeting are set out in the following pages. Additional information on the proposed capitalisation of bonds is set out in the accompanying Independent Appraisal Report from Simmons Corporate Finance dated 13 September 2021.

2. Proxies

All shareholders of the Company entitled to attend online and vote at the meeting are entitled to appoint a proxy to attend to vote for them instead. A proxy need not be a shareholder of the Company.

If a shareholder wishes to appoint a proxy, the shareholder should complete the proxy form enclosed. To be effective, the proxy form must be lodged at the Registered Office of the Company or with the Company's Share Registrar, Link Market Services, in accordance with the instructions in the Notes to the Proxy Form accompanying this Notice within at least 48 hours before the meeting is due to begin (i.e. before **11am on Sunday, 26 September 2021**).

If you wish to appoint an independent director of the Chairman as your proxy, Mr Sean Joyce is willing to act on your behalf and will vote "for" on all 3 resolutions.

If you do not name a proxy in your proxy form, Mr Sean Joyce, as Chairman, will be deemed appointed your proxy and will vote in accordance with your express instructions. Proxy forms that record an express intention may not be exercised by someone disqualified from voting.

Discretionary proxies given to persons disqualified from voting will not be valid.

3. Virtual annual meeting

Shareholders will be able to attend exclusively via an online platform provided by our share registrar, Link Market Services at www.virtualmeeting.co.nz/bgi21. Via the online platform, shareholders will be able to vote and ask questions during the Annual Meeting. If you will be attending online, you will require your Holder Number for verification purposes. More information regarding virtual attendance at the Annual Meeting (including how to vote and ask questions virtually during the Meeting) is available in the Virtual Annual Meeting Online Portal Guide available at <https://bcast.linkinvestorservices.co.nz/generic/docs/OnlinePortalGuide.pdf>.

4. Entitlement to vote

All persons registered on the Company's register of shareholders as at 5 pm on Friday, 24 September 2021 are entitled to vote at the Meeting online or by proxy.

By order of the Board of Directors



Sean Joyce
Chairman

13 September 2021

EXPLANATORY NOTES

Ordinary Resolutions

All items of business to be considered at the meeting are ordinary resolutions. An *ordinary resolution* is a resolution passed by a simple majority of votes of shareholders of the Company, entitled to vote and voting.

Voting restrictions

Blackwell Global Group Limited and any of its "Associated Persons" (as defined in the NZX Listing Rules), including its director Kaw Sing Chair (Michael Chair), are restricted from voting on resolution 3 referred to in the Notice of Annual Meeting. See further discussion below in the Explanatory Notes on resolution 3.

Resolution 1: Re-election of Director

Mr Say Chan Law (James), retires in accordance with the provisions of the Constitution of the Company. Mr Law, being eligible, offers himself for re-election.

James has more than 16 years' experience in the commercial and residential real estate industry, commencing his career with Nai Harcourts where he rose through the ranks to become an Executive Director. He eventually founded James Law Realty, a renowned firm within the real estate industry in New Zealand.

James holds a MBA in International Business and a Bachelor of Commerce degree in marketing and information systems.

Resolution 2: Remuneration of auditor

William Buck Audit (NZ) Limited are automatically reappointed as Auditors of the Company under section 200 of the Companies Act. Resolution 2 seeks authority for the Board to fix their remuneration for the forthcoming year.

Resolution 3: Overview of Proposed Capitalisation of Secured Bonds

Background

On 4 July 2017, the Company (previously named NZF Group Limited) and Blackwell Global Group Limited (BGGL) entered into a Secured Bonds Subscription Agreement and a Convertible Note Subscription Agreement (the *Agreements*) under which the Company agreed to issue to BGGL (and BGGL agreed to subscribe for) bonds (as defined in the *Agreements*) having an aggregate principal amount of NZD\$6,000,000.

There are currently \$2.5 million of Bonds that remain outstanding.

On 23 June 2021 BGI advised NZX for release to the market that the independent directors of the Company had agreed with BGGL that:

1. BGGL will, subject to obtaining shareholder approval, capitalise \$500,000 of the Bonds issued under the *Agreements* into 71,428,571 new ordinary shares in BGI equally ranked with the other ordinary shares on issue, at an issue price of \$0.007 per share (the *Capitalisation*); and
2. BGI will redeem \$1,000,000 of the Bonds for cash.

The \$1,000,000 Bond redemption was completed on 13 August 2021 from cash resources held by the Company in accordance with the agreement made on 23 June 2021. This partial redemption did not require shareholder approval under the NZX related party listing rules as it was contemplated by the existing terms of issue.

Following completion of both of the above transactions there will be a final \$1,000,000 of Bonds that remain outstanding (to be repaid by the Company in accordance with their existing terms, as varied from time to time, which currently require repayment on 30 June 2022). The remaining Bonds carry 0% interest until maturity. The deferral of the maturity date and reduction of interest payable to 0% was not the incurring of any new obligation and therefore did not require shareholder approval under the NZX related party listing rules.

The issue price of \$0.007 per share is in line with the recent trading prices of BGI's shares over the 6 months prior to announcement of the Bond Capitalisation on 23 June 2021. The Bond Capitalisation Issue per share represents:

- a 40% premium to the last traded price of BGI shares on 11 September 2021 of \$0.005;
- a 17% premium to BGI's share price immediately prior to the announcement of the Bond Capitalisation on 22 June 2021 of \$0.006;
- the same price as the one month VWAP up to 22 June 2021 of \$0.007;
- the same price as the 3 months VWAP up to 22 June 2021 of \$0.007; and
- a discount of 13% to the 6 months VWAP up to 22 June 2021 of \$0.008.

Should shareholders approve the Bond Capitalisation, the Company plans to complete it as soon as practicable following the meeting.

The new shares issued will rank equally with the existing 502,330,488 ordinary shares on issue.

BGGL is the majority shareholder in the Company and is therefore a "Related Party" of the Company pursuant to the NZX Listing Rules. In addition, the Company's director Michael Chai is also a BGGL director and therefore is treated as an "Associated Person" of BGGL under the NZX Listing Rules.

BGGL currently holds 311,501,199 shares in the Company, representing 62.011% of the voting securities in the Company. If shareholders approve the Capitalisation, the additional 71,428,571 shares issued would increase BGGL's holding to 382,929,770 shares or 66.741% (an increase of 4.729%).

BGGL is permitted to increase its holding or control of the Company's voting rights by this amount under rule 7(e) of the Takeovers Code.

The minority buyout rights in sections 110 to 118 of the Companies Act 1993 does not apply in relation to the Bond Capitalisation.

Requirement for the resolution

Resolutions 3 is therefore required by NZX Listing Rule 5.2 as the Capitalisation is a Material Transaction with a Related Party that triggers a shareholder approval requirement by ordinary resolution. The Bond Capitalisation is a Material Transaction as it has an aggregate value in excess of 10% of the Average Market Capitalisation of the Company.

Further, BGGL is an Associated Person of one of the Company's directors, Kaw Sing Chai (Michael Chai), as Michael Chai is a director of BGGL and the Company and is the second largest shareholder of the Company. Therefore, shareholder approval is also required under NZX Listing Rule 4.2.1 because of the size of the issue and given that BGI is not using placement headroom. BGGL and its "Associated Person" (as defined in the NZX Listing Rules) is restricted from voting on Resolution 3 referred to in this Notice of Meeting.

As shown in the below table, Michael Chai also holds 11.12% of the shares in the Company (of which 55,871,667 shares in the Company are personally held by Michael as at 27 June 2017), and he is the second largest Shareholder of the Company. Michael Chai is an "Associated Person" of BGGL for the purpose of the NZX Listing Rules, and an "associate" of BGGL for the purpose of the Takeovers Code. Therefore, Michael Chai will also be restricted from voting on resolution 3.

BGI Shareholding Post the Bond Capitalisation

	Current		Bond Conversion		Post Bond Conversion		Change
	No of Shares	%	No of Shares	%	No of Shares	%	
BGGL	311,501,199	62.01%	71,428,571	100.00%	382,929,770	66.74%	+ 4.73%
Michael Chai	55,871,667	11.12%		0.00%	55,871,667	9.74%	
Total BGGL and Associates	367,372,866	73.13%	71,428,571	100.00%	438,801,437	76.48%	+ 3.35%
Non-associated Shareholders	134,957,622	26.87%	0	0.00%	134,957,622	23.52%	- 3.35%
Total	502,330,488	100.00%	71,428,571	100.00%	573,759,059	100.00%	

Consequences of Resolution not being approved

In the event that resolution 3 is not approved by shareholders then the Company will remain liable to repay the Bonds in accordance with their terms, which require repayment on 30 June 2022. The Bonds carry 0% interest until maturity.

At the date of this notice the Company has sufficient cash resources to repay the Bonds on maturity, although the Company reserves the right to negotiate a further extension of the maturity for, and/or for a conversion of, the remaining Bonds.

Appraisal Report

Additional information is set out in the accompanying Appraisal Report from Simmons Corporate Finance dated 13 September 2021.

NZ RegCo No Objection

NZ RegCo have reviewed and do not object to the Notice of Annual Meeting. However, NZ RegCo does not take any responsibility for any statements in the Notice of Annual Meeting or any other document.