

# Blackwell Global Holdings Limited

## Annual Report For the year ended 31 March 2022

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# CHAIRMAN'S REPORT

## BLACKWELL GLOBAL HOLDINGS LIMITED

For the year ended 31 March 2022

Dear Shareholders

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 2022 was \$Nil with the final loan having been repaid during the year.

During the year, following occurrences that the independent directors of the Company agreed with its major shareholder, Blackwell Global Group Limited ("BGGL") were actioned:

1. upon receiving shareholder approval, Blackwell Global Group Limited capitalised \$500,000 of its Bonds into 71,428,571 new ordinary shares in the Company, at an issue price of \$0.007 per share. This development provided BGI with an additional \$500,000 of capital which provided the Company with sufficient working capital to fund the outgoings and expenses for the year; and
2. In June 2021, the Company redeemed \$1,000,000 of the Bonds for cash and paid \$750,000 to BGGL in June 2021, and \$250,000 in August 2021.

Following the completion of both of the above transactions there is \$1,000,000 of Bonds that remain outstanding (to be repaid by the Company in accordance with their terms).

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

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.

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.

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

## **CHAIRMAN'S REPORT**

### **BLACKWELL GLOBAL HOLDINGS LIMITED**

**For the year ended 31 March 2022**

- 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 hopeful of having a transaction underway during the course of this calendar year.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sean Joyce', written in a cursive style.

**Sean Joyce**  
**Chairman**

29 June 2022

# Corporate Governance Statement

## BLACKWELL GLOBAL HOLDINGS LIMITED

For the year ended 31 March 2022

The Board of the Group is committed to acting with integrity and expects high standards of behaviour and accountability from all its officers and staff. These standards are detailed in the Group's Board approved Code of Ethics Policy document. Other key governance documents are available to investors and stakeholders on BGI's website. They include the Code of Ethics, Audit and Risk Committee Charter, Financial Products Trading Policy and Guidelines, Governance Code and Nomination, Remuneration and Health and Safety Committee Charter.

The Board recognises the need to continue to enhance its governance standards in line with developing best practice. In doing so, the Board has considered standards, guidelines and principles published by a range of interested parties in New Zealand and internationally. The governance principles adopted by the Board are designed to meet best practice.

### Role of the Board

The Chairman is elected by the Board of Directors, and his primary responsibility is the efficient functioning of the Board, which involves managing the Board in the most effective manner and to provide a conduit between the Board and the Chief Executive Officer when there is one. He has no significant external commitments that conflict with this role.

The Company maintains an Interests Register and if necessary, conflicts of interest are recorded in the minutes. Procedures for the operation of the Board, including the appointment and removal of Directors, are governed by the Company's Constitution.

The Governance Code sets out, in detail, the composition, responsibilities and roles of the Board of Directors. The Board reviews its performance against these responsibilities annually.

The Board of Directors' corporate governance responsibilities include overseeing the management of the Company and Group to ensure proper direction and control of Blackwell's activities. Corporate Governance encompasses the requirement for the Board to discharge such responsibilities, to be accountable to shareholders and other stakeholders for the performance of the Group, and to ensure that the Group is compliant with laws and standards.

The Board establishes the corporate objectives of the Group and monitors management's implementation of strategies to achieve the objectives. It is engaged in on-going strategic planning in order to meet the objectives. It provides an oversight of compliance and risk, it measures, and monitors management performance and it sets in place the policy framework within which the Group operates.

The Board's primary objective is the enhancement of shareholder value by following appropriate strategies and ensuring effective and innovative use of available Group resources. Day-to-day management of the Company is delegated to two of the Group's Directors, Sean Joyce and Craig Alexander.

### Board Meetings

The Board normally meets quarterly each year for scheduled meetings. Additional meetings are held where specific matters require attention between scheduled meetings. Board meetings are used to monitor, challenge, develop and fully understand business and operational issues.

### Composition of the Board

The Board of the Group has a broad base of knowledge and experience in energy, engineering, financial management, legal compliance and other expertise to meet the Company and Group's objectives. The details and backgrounds of the directors are detailed on the Company's website.

The Governance Code provides that there will be no less than three and not more than six directors. NZX requirements are that at least two directors are independent directors.

The Board has determined, based on information provided by directors regarding their interests, that at 31 March 2022, Sean Joyce and Craig Alexander, are independent directors. The Board makes an assessment on the independence of each director after consideration of the listing rules, the NZX Corporate Governance Code, guidance notes and legal advice.

# Corporate Governance Statement

## BLACKWELL GLOBAL HOLDINGS LIMITED

For the year ended 31 March 2022

### Criteria for Board Membership

When a vacancy arises, the Board will identify candidates with a mix of capabilities and perspectives considered necessary for the Board to carry out its responsibilities effectively. A director appointed by the Board must stand for election at the next annual meeting. At each annual meeting one-third of directors (excluding the Managing Director) must retire by rotation. Retiring directors are eligible for re-election.

### Board Committees

The Board has established standing Committees (described below) that focus on specific responsibilities in greater detail than is possible for the Board as a whole. All committee proceedings are reported back to the Board and each operates under a Board approved Committee Charter that sets out its delegation and responsibility.

#### Audit and Risk Committee

The Audit and Risk Committee is responsible for monitoring the on-going effectiveness of risk management activities. The Committee monitors trends in the Group's risk profile and considers how the business manages or mitigates key risk exposures. It implements risk management through its business processes of planning, budgeting, investment, project analysis and operations management. The Group has a Risk Management Policy that guides the risk management framework and the maintenance and monitoring of the Company's risk register.

The Audit and Risk Committee also monitors and oversees the quality of financial reporting and financial management. In order to achieve this the Committee considers accounting and audit issues and makes recommendations to the Board of Directors as required and monitors the role, responsibility and performance of the external auditor. The function of the Audit and Risk Committee is to assist the Board in carrying out its responsibilities under the Companies Act 1993 and the Financial Markets Conduct Act 2013 on matters relating to the Group's accounting practices, policies and controls relevant to the financial position, and to liaise with external auditors on behalf of the Board of Directors.

The Audit and Risk Committee at the end of the financial year comprised Sean Joyce (Chair) and Craig Alexander.

#### Remuneration and Nomination Committee

The Remuneration and Nomination Committee's purpose is to review Directors' fees, the Chief Executive Officer's remuneration package and performance. The policy for remuneration of senior management, ensures the Company has formal and transparent processes for the nomination and appointment of Directors and to identify any skill gaps to ensure diversity and experience on the Board. These duties form the basis of recommendations to the Board.

The Remuneration and Nomination Committee is also responsible for: obtaining assurance that the Group's human resources policies and practices support achievement of the Group's goals; overseeing appointments of the Group Chief Executive Officer, roles reporting to the Group Chief Executive Officer, and key professional advisors in the area of legal, tax and public relations, and overseeing the development of key employees.

The Remuneration and Nomination Committee at the end of the financial year comprised Sean Joyce (Chair) and Craig Alexander.

#### Health and Safety Committee

The Health and Safety Committee's primary objective is to assist the Board in fulfilling its responsibilities and objectives in all matters related to health and safety. The Health and Safety Committee at the end of the financial year comprised Sean Joyce (Chair) and Craig Alexander.

# Corporate Governance Statement

## BLACKWELL GLOBAL HOLDINGS LIMITED

For the year ended 31 March 2022

### Trading in Shares

The Group has a detailed Insider Trading and Financial Products Dealing Policy applying to all directors and employees. A procedure must be followed to always obtain consent to trade in the Company's shares.

Generally trading is permitted from the release of interim results until 28 February and from the release of the final results until 31 August. However, directors and employees are not able to trade in Company shares if they are in possession of unpublished price sensitive information.

The Group reinforces these measures by requiring that anyone designated as having the opportunity to access price sensitive information can transact in the Company's securities only with the prior approval of the Group Secretary and Chairman.

### Timely and Balanced Disclosure

BGI maintains a Continuous Disclosure Policy. Continuous disclosure obligations in the NZX Main Board Listing Rules require all listed companies to advise the market about any material events and developments as soon as the Company becomes aware of them. The Company complies with these obligations on an on-going basis. The Group has in place procedures designed to ensure compliance with the NZX listing rules such that all investors have equal and timely access to material information concerning the Group, including its financial situation, performance, ownership and governance. Group announcements are factual and presented in a clear and balanced way. Accountability for compliance with disclosure obligations is with two of the Group's Directors, Sean Joyce and Craig Alexander. Significant market announcements, including the preliminary announcement of the half year and full year results, and the consolidated financial statements for those periods, require review by the full Board.

### NZX Corporate Governance Code

A full statement on the extent to which the Group has followed the recommendations in the NZX Corporate Governance Code during the year is available on BGI's website, <https://www.bgholdings.co.nz/corporate-governance/>.

Generally the Group does follow the recommendations in the NZX Corporate Governance Code. However, the Group does not follow the following recommendations:

- Recommendation 2.5: The Group does not have a formal diversity policy, and has not had one at any stage during the year. The Group does not have a formal diversity policy given there are only male directors and executives working within the Group at this time. While there is no formal diversity policy, and no formal alternative governance practices relating to diversity have been adopted, the Group recognises the wide-ranging benefits that diversity brings to an organisation and its workplaces. The Group endeavours to ensure diversity at all levels of the organisation to ensure a balance of skills and perspectives are available in the service of our shareholders and customers.
- Recommendation 2.8: The Group does not have a majority of independent directors, and has not at any stage during the year. Only two of the five directors are considered independent. The current composition of the Board in respect of independent directors versus non-independent directors arose following the restructure of the Group several years ago, where the incoming majority shareholder nominated three new non-independent directors to join the Board. Since that time, the composition of the Board has remained unchanged and the Board has sought nominations for new directors each year, but has yet to receive any such nominations. Similarly, the Board does not consider it appropriate to incur additional costs associated with proactively seeking to engage an additional independent director at this time. In the event of any transactions between the Group and a non-independent director, or their associates, the general principle followed is that the independent directors must approve any such transaction before such a transaction will proceed.
- Recommendation 3.1: The Group does not follow one aspect of this recommendation because the chair of the Audit and Risk Committee is also the chair of the Board and has been for the full year. The members of the Audit and Risk Committee consider the Chair of the Audit and Risk Committee to be the best qualified member of the Audit and Risk Committee to assume that role given his prior experience in a wide range of audit process during his other engagements as a director and an advisor to various listed

# Corporate Governance Statement

## BLACKWELL GLOBAL HOLDINGS LIMITED

For the year ended 31 March 2022

companies. All decisions to be made by the Audit and Risk Committee require approval of a majority of the Audit and Risk Committee. The Chair does not have a second or casting vote.

### Diversity

As at 31 March 2022, the gender balance of the Group's directors, officers and all employees were as follows:

|              | Directors |           | Officers |          | Employees |          |
|--------------|-----------|-----------|----------|----------|-----------|----------|
|              | 2022      | 2021      | 2022     | 2021     | 2022      | 2021     |
| Female       | 0         | 0         | 0        | 0        | 0         | 0        |
| Male         | 5*        | 5*        | 0        | 0        | 0         | 0        |
| <b>Total</b> | <b>5*</b> | <b>5*</b> | <b>0</b> | <b>0</b> | <b>0</b>  | <b>0</b> |

\*One of the directors is an alternate director.

The Board held six meetings during the year.

# Consolidated Statement of Comprehensive Income

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

|  | Notes | 2022<br>\$       | 2021<br>\$         |
|--|-------|------------------|--------------------|
| <b>Income</b>  |       |                  |                    |
| Interest and fee income  | 5     | 39,222           | 135,446            |
| Other income   | 5     | 14,518           | 112,833            |
| <b>Total Income</b>  |       | <b>53,740</b>    | <b>248,280</b>     |
| <b>Expenses</b>  |       |                  |                    |
| Directors' fees  | 25.1  | (138,000)        | (171,000)          |
| Employee expenses  |       | -                | (291,553)          |
| Interest expense   |       | (126,444)        | (138,947)          |
| Other operating expenses                                       | 6     | (244,379)        | (426,338)          |
| <b>Total expenses</b>  |       | <b>(508,823)</b> | <b>(1,027,838)</b> |
| <b>Loss before income tax</b>                                  |       | <b>(455,083)</b> | <b>(779,559)</b>   |
| Income tax benefit/(expense)                                   | 7     | -                | -                  |
| <b>Net Profit/(Loss) After Tax</b>                             |       | <b>(455,083)</b> | <b>(779,559)</b>   |
| <b>Total comprehensive loss for the year</b>                   |       | <b>(455,083)</b> | <b>(779,559)</b>   |
| <b>Attributable to:</b>  |       |                  |                    |
| Owners of the Company  |       | <b>(455,083)</b> | <b>(779,559)</b>   |
| <b>Earnings/(loss) per share</b>                               |       |                  |                    |
| Basic and diluted earnings/(loss) per share (cents per share): | 10    | (0.09)           | (0.16)             |

The accompanying notes form part of these consolidated financial statements and should be read in conjunction with them.

# Consolidated Statement of Changes in Equity

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

|   | Notes | Share<br>capital  | Contributed<br>capital | Accumulated<br>losses | Total<br>equity |
|---|-------|-------------------|------------------------|-----------------------|-----------------|
|   |       | \$                | \$                     | \$                    | \$              |
| <b>Balance at 1 April 2020</b>                      |       | <b>12,606,377</b> | <b>127,516</b>         | <b>(12,043,659)</b>   | <b>690,233</b>  |
| Loss for the period                                 |       | -                 | -                      | (779,559)             | (779,559)       |
| Contributed capital on bonds                        | 18.1  | -                 | 280,090                | -                     | 280,090         |
| Total comprehensive loss for the year               |       | -                 | 280,090                | (779,559)             | (499,469)       |
| <b>Balance at 31 March 2021</b>                     |       | <b>12,606,377</b> | <b>407,606</b>         | <b>(12,823,219)</b>   | <b>190,764</b>  |
| <b>Balance at 1 April 2021</b>                      |       | <b>12,606,377</b> | <b>407,606</b>         | <b>(12,823,219)</b>   | <b>190,764</b>  |
| Loss for the year                                   |       | -                 | -                      | (455,083)             | (455,083)       |
| Total comprehensive loss for the year               |       | -                 | -                      | (455,083)             | (455,083)       |
| Issue of ordinary shares, net of transactions costs | 21    | 495,302           | -                      | -                     | 495,302         |
| <b>Balance at 31 March 2022</b>                     |       | <b>13,101,679</b> | <b>407,606</b>         | <b>(13,278,302)</b>   | <b>230,983</b>  |

The accompanying notes form part of these consolidated financial statements and should be read in conjunction with them.

# Consolidated Statement of Financial Position

## Blackwell Global Holdings Limited

As at 31 March 2022

|  | Notes  | 2022<br>\$       | 2021<br>\$       |
|--|--------|------------------|------------------|
| <b>Current assets</b>                            |        |                  |                  |
| Cash and cash equivalents                        | 19     | 148,294          | 1,986,671        |
| Prepayments and other receivables                | 12     | 14,471           | 8,347            |
| Loan receivables                                 | 17     | -                | 643,672          |
| Investments                                      | 13     | 1,000,000        | -                |
| <b>Total current assets</b>                      |        | <b>1,162,765</b> | <b>2,638,690</b> |
| <b>Non-current assets</b>                        |        |                  |                  |
| Prepayments and other receivables                | 12     | 75,000           | 75,000           |
| Property, plant and equipment                    | 14     | 2,090            | 5,858            |
| <b>Total non-current assets</b>                  |        | <b>77,090</b>    | <b>80,858</b>    |
| <b>Total assets</b>                              |        | <b>1,239,855</b> | <b>2,719,548</b> |
| <b>Current liabilities</b>                       |        |                  |                  |
| Trade and other payables                         | 15     | 5,221            | 58,597           |
| Accruals, provisions and other liabilities       | 16     | 18,113           | 101,627          |
| Borrowings                                       | 18, 20 | 985,538          | 44,178           |
| <b>Total current liabilities</b>                 |        | <b>1,008,872</b> | <b>204,402</b>   |
| <b>Non-current liabilities</b>                   |        |                  |                  |
| Borrowings                                       | 18, 20 | -                | 2,324,382        |
| <b>Total non-current liabilities</b>             |        | <b>-</b>         | <b>2,324,382</b> |
| <b>Total liabilities</b>                         |        | <b>1,008,872</b> | <b>2,528,784</b> |
| <b>Net assets</b>                                |        | <b>230,983</b>   | <b>190,764</b>   |
| <b>Equity</b>                                    |        |                  |                  |
| Share capital                                    | 21     | 13,101,679       | 12,606,377       |
| Contributed capital                              | 18     | 407,606          | 407,606          |
| Accumulated losses                               |        | (13,278,302)     | (12,823,219)     |
| <b>Total equity</b>                              |        | <b>230,983</b>   | <b>190,764</b>   |
| Net tangible assets per share (cents per share): | 11     | 0.04             | 0.04             |

For and on behalf of the Board:



Director

Dated: 29 June 2022



Director

The accompanying notes form part of these consolidated financial statements and should be read in conjunction with them.

# Consolidated Statement of Cash Flows

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

|  | Notes | 2022<br>\$         | 2021<br>\$       |
|--|-------|--------------------|------------------|
| <b>Cash flows from operating activities</b>              |       |                    |                  |
| Interest received  |       | 26,203             | 67,859           |
| Lending, credit fees and other income received           |       | 65                 | 32,570           |
| Net advances in loan receivables                         |       | 648,589            | 943,200          |
| <b>Operating inflows</b>                                 |       | <b>674,857</b>     | <b>1,043,629</b> |
| Payments to suppliers and employees                      |       | (497,013)          | (858,840)        |
| Interest paid  |       | (50,721)           | (2,838)          |
| Income taxes refunded                                    |       | -                  | 59               |
| <b>Operating outflows</b>                                |       | <b>(547,733)</b>   | <b>(861,619)</b> |
| <b>Net cash from / (used in) operating activities</b>    |       | <b>127,124</b>     | <b>182,010</b>   |
| <b>Cash flows used in investing activities</b>           |       |                    |                  |
| Payments from term deposits                              | 13    | 500,000            | -                |
| Payments to term deposits                                | 13    | (1,500,000)        | -                |
| Purchase of property, plant and equipment                |       | -                  | (954)            |
| <b>Net cash from / (used in) investing activities</b>    |       | <b>(1,000,000)</b> | <b>(954)</b>     |
| <b>Cash flows from financing activities</b>              |       |                    |                  |
| Proceeds from borrowings                                 | 18    | 34,500             | -                |
| Payments of borrowings                                   | 18    | (1,000,000)        | -                |
| <b>Net cash from / (used in) financing activities</b>    |       | <b>(965,500)</b>   | <b>-</b>         |
| Net increase/(decrease) in cash and cash equivalents     |       | (1,838,377)        | 181,056          |
| Cash and cash equivalents at the beginning of the period | 19    | 1,986,671          | 1,805,615        |
| <b>Cash and cash equivalents at the end of the year</b>  | 19    | <b>148,294</b>     | <b>1,986,671</b> |

The accompanying notes form part of these consolidated financial statements and should be read in conjunction with them.

## Reconciliation of Net Operating Cash Flows to Net Loss After Tax

### Blackwell Global Holdings Limited

For the year ended 31 March 2022

|  | Notes | 2022<br>\$       | 2021<br>\$       |
|--|-------|------------------|------------------|
| Net loss for the year  |       | <b>(455,083)</b> | <b>(779,559)</b> |
| <i>Adjustments for:</i>  |       |                  |                  |
| Depreciation   | 14    | 2,090            | 5,222            |
| Capitalised interest expense   |       | 120,029          | 136,527          |
| Capitalised interest income  |       | (4,671)          | -                |
| Other non-cash items   |       | 8,279            | -                |
|  |       | <b>(329,356)</b> | <b>(637,810)</b> |
| <i>Changes in net assets and liabilities:</i>  |       |                  |                  |
| (Increase) / decrease in loan receivables (including accrued interest, excluding deferred revenue) | 17    | 650,089          | 915,896          |
| Increase / (decrease) in deferred revenue  | 17    | (6,417)          | (24,257)         |
| (Increase) / decrease in prepayments and other receivables   | 12    | (6,124)          | 8,547            |
| Increase / (decrease) in trade and other payables  | 15    | (53,376)         | (24,682)         |
| Increase / (decrease) in accruals, provisions and other liabilities (excluding deferred income)    | 16    | (83,514)         | (55,684)         |
| Increase / (decrease) in interest accrual on borrowings  | 18    | (44,178)         | -                |
| <b>Net cash (used in)/generated by operating activities</b>  |       | <b>127,124</b>   | <b>182,010</b>   |

The accompanying notes form part of these consolidated financial statements and should be read in conjunction with them.

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

### 1. General Information

These consolidated financial statements are for Blackwell Global Holdings Limited (the “Company”) and its subsidiaries (together the “Group”).

The Company and its subsidiaries are limited liability companies, domiciled and incorporated in New Zealand. The Company is listed by NZX Limited on the NZX Main Board (“NZX”).

The Company is registered under the Companies Act 1993 and is an FMC Reporting Entity under part 7 of the Financial Markets Conduct Act 2013.

The Group operates a financial services business focusing on mortgage lending. There has been no change in the nature of the Group’s business during the year. This should be read in conjunction with the comments in Note 26: Going Concern.

There are no seasonal or cyclical influences on these financial results.

### 2. Basis of Preparation

These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (‘NZ GAAP’) and with the requirements of the Financial Markets Conduct Act 2013 and the NZX Main Board Listing Rules. The Company is a for-profit entity for the purposes of NZ GAAP. The consolidated financial statements comply with New Zealand equivalents to International Financial Reporting Standards (“NZ IFRS”) and International Financial Reporting Standards (IFRS).

The consolidated financial statements have been prepared on a historical cost basis except for any financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

The consolidated financial statements are presented in New Zealand dollars.

### 3. Summary of significant accounting policies

#### 3.1 Application of new and revised NZ IFRSs, amendments and interpretations

There were no new NZ IFRS, or NZ IFRIC interpretations adopted during the year, nor any that are not yet effective that would be expected to have a material impact on the Company.

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

#### 3.2 Basis of consolidation

The consolidated financial statements of the Group incorporate the assets, liabilities and results of all controlled entities. Subsidiaries are entities (including structured entities) over which the Group has control. 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 to direct the activities of 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.

The acquisition method of accounting is used to account for business combinations by the group.

All intercompany transactions, balances and any recognised income and expense (except for foreign currency transaction gains or losses) between controlled entities are eliminated in full on consolidation.

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

### 3.3 Income

Loan fee income is recognised as each performance obligation is satisfied. Fees for other services are recognised as the service is performed.

In the 2021 income year, \$99,243 of sundry income represents the benefit received from Blackwell Global Investments Limited paying costs on behalf of the Group. This year \$14,518 of the sundry income related to the same. It has been agreed that these costs will not be recovered from the Group. Refer to note 25: Related Parties.

### 3.4 Interest income and similar expenses from financial instruments measured at amortised cost

For all financial instruments measured at amortised cost, interest income and expense is recorded at the effective interest rate, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses. The adjusted carrying amount is calculated based on the original effective interest rate and the change in carrying amount is recorded as gain on impairment of bond or interest expense.

The interest expense includes the amortisation of bonds.

### 3.5 Government Grants

Government grant income is recorded in the Statement of Comprehensive Income as it is utilised. Any unused portion is recorded as deferred income reported within accruals, provisions and other liabilities. The Company received no such grants during the 2022 financial year.

### 3.6 Expense Recognition

All expenses are recognised in the Consolidated Statement of Comprehensive Income on an accrual basis.

### 3.7 Employee Expenses

Liabilities for wages and salaries, including non-monetary benefits, are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current liabilities and included in the accruals, provisions and other liabilities in the Consolidated Statement of Financial Position. At 31 March 2022 there were no employee expenses outstanding.

### 3.8 Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Consolidated Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit at the time of the transaction, and differences relating to investments in subsidiaries and joint operations to the extent that they probably will not reverse in the foreseeable future. Deferred tax is

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

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measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

In principle deferred tax liabilities are recognised from taxable temporary timing differences. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and unused tax losses and tax credits can be recognised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be recognised.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group has a legally enforceable right to offset current tax assets against current tax liabilities.

### 3.9 Goods and Services Tax (GST)

The Group is not registered for GST. Therefore, all amounts are stated inclusive of GST.

### 3.10 Financial Instruments

#### *Recognition and Derecognition*

Financial assets and financial liabilities are recognised in the Group's Consolidated Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### **Financial Assets**

##### *Classification and initial measurement*

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset

Transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### **Subsequent measurement of financial assets**

##### *Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows.
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

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After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

### *Financial assets at fair value through profit or loss (FVTPL)*

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments.

### *Financial assets at fair value through other comprehensive income (FVOCI)*

The Group accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is "hold to collect" the associated cash flows and sell and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group did not have any assets classified at FVOCI at reporting date.

### *Amortised cost and effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial asset and assigning the related interest income over the appropriate period. For financial assets other than those purchased or assets that are credit impaired on initial recognition, the effective interest rate is the rate that exactly discounts estimated future cash through the expected life of the financial asset, or, where appropriate, a shorter period, to the gross carrying amount of the financial asset on initial recognition.

### *Impairment of financial assets*

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Relevant instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments.

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this forward-looking approach, a distinction is made between:

Stage 1: Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk;

Stage 2: Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low;

Stage 3: Financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second and third category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset at the reporting date with the risk of a default occurring on the financial asset at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information. The nature of the Group's finance receivables has been short-term residential property lending with a predominant focus on the underlying security value of the finance receivable (i.e. the residential property value) in the credit assessment. Credit risk information is updated and monitored regularly. While there are no loan receivables at 31 March 2022, loan receivables were subject to

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

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regular scrutiny, as a key component of credit risk management. This includes a review of the borrower's repayment history and any interest arrears; any changes in the borrowers' circumstances which could impact on their ability to repay either interest or principal amounts on their due date; and any movement in the security value. The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

### Financial Liabilities

Financial liabilities are classified into one of the following measurement categories:

- those to be measured subsequently at fair value through profit or loss ('FVTPL'); and
- those to be measured at amortised cost.

At initial recognition financial liabilities are measured at fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The amortised cost of a financial liability is the amount at which the financial liability is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability. The Group's financial liabilities measured at amortised cost include Bonds. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 3.11 Property, Plant and Equipment and Depreciation

All property, plant and equipment are recorded at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation of the assets has been calculated at the maximum rates permitted by the Income Tax Act 2007. The entity has asset classes as set out below:

Plant and IT equipment: depreciation rates of 40-50%.

### 3.12 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic resources will be required to settle the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the provision resulting from the passage of time is recognised in finance costs. If economic resources required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received, and the amount of the receivable can be reliably measured.

### 3.13 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

### 3.14 The Impact of Coronavirus

During the year the Government continued to implement containment measures to stop the spread of the Coronavirus. To help with this the Government enforced a number of lockdowns at varying alert levels, each having different restrictions. During lockdowns where the Company's offices were forced to shut down, the staff of Blackwell Global Group, where applicable, were able to continue working from their homes. As at the date these financial statements have been signed off, the ongoing impacts of the Coronavirus pandemic remain unknown and may have an impact on the financial position of the Company for the coming 12 months, however given the Company's business operations have effectively been wound down, the Board does not consider that it will have any material exposure.

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 (refer to note 18), 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 audited results, as there has been no significant change in the risk profile of the loan receivables.

### 3.15 Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### 3.16 Share Capital

#### *Ordinary Shares*

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

### 3.17 Cash Flows

The following are the definitions used in the Consolidated Statement of Cash Flows:

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Operating activities are the principal revenue-producing activities of the Group and other activities that are not investing or financing activities.

Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the Group.

## 4. Critical Estimates and Judgements used in applying Accounting Policies

The Group prepares its consolidated financial statements in accordance with NZ IFRS, the application of which often requires judgements to be made by management when formulating the Group's financial position and results. Under NZ IFRS, the Directors are required to adopt those accounting policies most appropriate to the Group's circumstances for the purpose of presenting a true and fair view of the Group's financial position, financial performance and cash flows.

In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

results or net asset position of the Group. Such judgement can sometimes result in a change of accounting policy if it is later determined that a different choice is more appropriate.

Below are the critical accounting estimates and judgements.

### *Provisions for Impairment*

In determining expected credit loss (ECL), management is required to exercise judgement in defining what is considered to be a significant increase in credit risk and in making assumptions and estimates to incorporate relevant information about past events, current conditions and forecasts of economic conditions.

Furthermore, judgement has been applied in determining the lifetime and point of initial recognition of revolving facilities.

The calculated probability of default, loss given default and exposure at default are reviewed regularly considering differences between loss estimates and actual loss experience. To date there has been limited opportunities to make these comparisons. Therefore, these assumptions, including how they react to forward-looking economic conditions remain subject to review and refinement.

## 5. Revenue

The Group recognises revenue from the following major sources:

- Interest from loan receivables
- Loan fee income
- Interest income from term deposits and bank accounts

|  | 2022          | 2021           |
|--|---------------|----------------|
|  | \$            | \$             |
| Interest income from loan receivables                | 22,481        | 75,299         |
| Loan fee income                                      | 6,917         | 60,142         |
| Interest income from term deposits and bank accounts | 9,824         | 4              |
| <b>Total</b>   | <b>39,222</b> | <b>135,446</b> |
| <br>   |               |                |
| Sundry income  | 14,518        | 112,833        |
| <b>Total</b>   | <b>14,518</b> | <b>112,833</b> |
| <br>   |               |                |
| <b>Total income</b>                                  | <b>53,740</b> | <b>248,280</b> |

## 6. Other Operating Expenses

|  | 2022           | 2021           |
|--|----------------|----------------|
|  | \$             | \$             |
| Audit fees – for the audit of the financial statements | 12,363         | 23,044         |
| Accounting, consulting and legal                       | 103,803        | 133,247        |
| NZX fees and list charges                              | 41,329         | 93,103         |
| Insurance expenses                                     | 19,425         | 25,352         |
| Depreciation expenses                                  | 2,090          | 5,222          |
| Professional Services                                  | 38,314         | 20,605         |
| Office Rent  | 14,518         | 65,839         |
| Other operating expenses                               | 12,538         | 59,926         |
| <b>Total</b>   | <b>244,379</b> | <b>426,338</b> |

Refer to note 25 for more information about the office rent expense.

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

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### 7. Income Tax

This note provides an analysis of the Group's income tax expense, shows how the tax expense is affected by non-assessable and non-deductible items.

*Reconciliation of income tax expense to prima facie tax payable*

|  | 2022             | 2021             |
|--|------------------|------------------|
|  | \$               | \$               |
| Loss before income tax and adjustments   | (455,083)        | (779,559)        |
| Current year tax at the tax rate of 28%  | (127,423)        | (218,277)        |
| <b>Total current year tax at the tax rate of 28%</b>                                 | <b>(127,423)</b> | <b>(218,277)</b> |
| Tax effect of amounts which are not deductible in calculating taxable income/(loss): |                  |                  |
| Non-deductible expenses  | 1,332            | 11,153           |
| Current tax losses not recognised  | 126,092          | 207,123          |
| <b>Income tax expense</b>  | <b>-</b>         | <b>-</b>         |

In view of the current financial position of the Group, the directors have decided not to recognise the deferred tax asset and accordingly no income tax has been recognised within equity in respect of the contributed equity.

### 7.1 Tax Losses

|  | 2022             | 2021             |
|--|------------------|------------------|
|  | \$               | \$               |
| Tax losses for which no deferred tax asset has been recognised                         | (3,218,099)      | (2,960,451)      |
| Tax losses for which no deferred tax asset has been recognised (prior year adjustment) | 67,809           | (67,809)         |
| <b>Potential tax benefit @ 28%</b>   | <b>(882,081)</b> | <b>(772,313)</b> |

In view of the current financial position and loss position of the Group, the directors have decided not to recognise any tax benefit on tax losses carried forward by the Group. The availability of tax losses carried forward are subject to continuity of shareholders requirements being met in order to be utilised by the Group.

### 8. Imputation Credit Account

|  | 2022  | 2021 |
|--|-------|------|
|  | \$    | \$   |
| Imputation credits available for use in subsequent periods | 1,528 | 136  |

### 9. Dividends Declared and Paid

No dividends were declared or paid relating to the Group results for the year ended 31 March 2022 (2021: \$ Nil).

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

### 10. Earnings Per Share

|  | 2022   | 2021   |
|--|--------|--------|
| Basic earnings/(loss) per share (cents):   | (0.09) | (0.16) |
| Diluted earnings/(loss) per share (cents): | (0.09) | (0.16) |

The losses and weighted average number of ordinary shares used in the calculation of loss per share are as follows:

|  | 2022        | 2021        |
|--|-------------|-------------|
| Loss for the period attributable to owners of the parent company (\$)                                      | (455,083)   | (779,559)   |
| Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share | 534,424,421 | 502,330,488 |

At 31 March 2022, there were no financial instruments or rights held by any shareholders that were considered to be dilutive (2021: Nil). Accordingly, basic and diluted earnings per share are identical for the accounting periods being reported on.

The Group presents basic and diluted earnings per share (EPS) information for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares on issue throughout the year. Diluted earnings per share is calculated by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares. There were no financial instruments considered to be dilutive as at 31 March 2022.

### 11. Net Tangible Assets per Share

|                                       | 2022        | 2021        |
|---------------------------------------|-------------|-------------|
| Net tangible assets (\$)              | 230,983     | 190,764     |
| Issued shares at balance date         | 573,759,059 | 502,330,488 |
| Net tangible assets per share (cents) | 0.04        | 0.04        |

### 12. Prepayments and Other Receivables

|                   | 2022          | 2021          |
|-------------------|---------------|---------------|
|                   | \$            | \$            |
| Prepayments       | 8,306         | 8,296         |
| Other receivables | 81,165        | 75,051        |
| <b>Total</b>      | <b>89,471</b> | <b>83,347</b> |
| Current           | 14,471        | 8,347         |
| Non-current       | 75,000        | 75,000        |
| <b>Total</b>      | <b>89,471</b> | <b>83,347</b> |

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

### 13. Investments

|                         | 2022<br>\$       | 2021<br>\$ |
|-------------------------|------------------|------------|
| Term deposit investment | 1,000,000        | -          |
| <b>Total</b>            | <b>1,000,000</b> | <b>-</b>   |

The ASB term deposit at 31 March 2022 matures 28 April 2022.

### 14. Property, Plant and Equipment

|                                 | 2022<br>\$      | 2021<br>\$      |
|---------------------------------|-----------------|-----------------|
| <b>Cost</b>                     |                 |                 |
| Balance at 1 April              | 19,224          | 18,270          |
| Additions                       | -               | 954             |
| Disposals                       | (1,678)         | -               |
| <b>Balance at 31 March</b>      | <b>17,546</b>   | <b>19,224</b>   |
| <b>Accumulated depreciation</b> |                 |                 |
| Balance at 1 April              | (13,366)        | (8,144)         |
| Depreciation                    | (2,090)         | (5,222)         |
| <b>Balance at 31 March</b>      | <b>(15,456)</b> | <b>(13,366)</b> |
| <b>Carrying value</b>           | <b>2,090</b>    | <b>5,858</b>    |

### 15. Trade and Other Payables

|                               | 2022<br>\$   | 2021<br>\$    |
|-------------------------------|--------------|---------------|
| Trade payables                | 5,221        | 10,472        |
| Non-residents withholding tax | -            | 48,125        |
| <b>Total</b>                  | <b>5,221</b> | <b>58,597</b> |

### 16. Accruals, Provisions and Other Liabilities

|                  | 2022<br>\$    | 2021<br>\$     |
|------------------|---------------|----------------|
| Accrued expenses | 18,113        | 101,627        |
| <b>Total</b>     | <b>18,113</b> | <b>101,627</b> |

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## Blackwell Global Holdings Limited

For the year ended 31 March 2022

### 17. Loan receivables

|                             | 2022<br>\$ | 2021<br>\$     |
|-----------------------------|------------|----------------|
| Short term loan receivables | -          | 649,121        |
| Accrued interest            | -          | 968            |
| Deferred revenue            | -          | (6,417)        |
| <b>Total</b>                | <b>-</b>   | <b>643,672</b> |

#### 17.1 Credit Risk Grading

The Group's receivables have been monitored by regular assessment of their credit risk grade based on an objective review of defined risk characteristics. The portfolio risk is regularly refreshed based on current information.

While there are no loan receivables at 31 March 2022, in prior years they have consisted mainly of lending for:

- Residential construction
- Land purchase
- Refinancing

Loans are individually risk graded based on loan status, financial information, security and debt servicing ability. Exposures in the portfolio are credit risk graded by an internal risk grading mechanism and is part of the loan application and approval process. All loans have been secured on the assets in question. Refer to Note 24.4 on credit risk.

|  | 2022<br>\$ | 2021<br>\$     |
|--|------------|----------------|
| Neither at least 90 days past due nor impaired | -          | 643,672        |
| At least 90 days past due                      | -          | -              |
| Individually impaired                          | -          | -              |
| <b>Total</b>                                   | <b>-</b>   | <b>643,672</b> |
| Expected credit loss allowance                 | -          | -              |
| <b>Total</b>                                   | <b>-</b>   | <b>643,672</b> |

*Loan receivables by expected credit loss (ECL) allowance:*

|   | Stage 1<br>\$ | Stage 2<br>\$ | Stage 3<br>\$ |
|---|---------------|---------------|---------------|
| <b>As at 1 April 2021</b>                       | 643,672       | -             | -             |
| Transfer from Stage 1 to Stage 2                | -             | -             | -             |
| Transfer from Stage 2 to Stage 1                | -             | -             | -             |
| Transfer to Stage 3                             | -             | -             | -             |
| Transfer from Stage 3                           | -             | -             | -             |
| Net further lending/(repayments)                | -             | -             | -             |
| Asset derecognised (including final repayments) | (643,672)     | -             | -             |
| New financial assets originated                 | -             | -             | -             |
| <b>As at 31 March 2022</b>                      | <b>-</b>      | <b>-</b>      | <b>-</b>      |

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## Blackwell Global Holdings Limited

For the year ended 31 March 2022

|   | Residential construction |      | Land purchase, refinancing and other matters |         | Total    |                |
|---|--------------------------|------|--|---------|----------|----------------|
|   | 2022                     | 2021 | 2022   | 2021    | 2022     | 2021           |
|   | \$                       | \$   | \$   | \$      | \$       | \$             |
| The concentration of credit risk by loan type | -                        | -    | -  | 643,672 | -        | 643,672        |
| <b>Total</b>                                  |                          |      |  |         | <b>-</b> | <b>643,672</b> |

### 18. Borrowings

|                               | 2022           | 2021             |
|-------------------------------|----------------|------------------|
|                               | \$             | \$               |
| <b>Current borrowings</b>     |                |                  |
| Bonds                         | 985,538        | 44,178           |
| <b>Total</b>                  | <b>985,538</b> | <b>44,178</b>    |
| <b>Non-current borrowings</b> |                |                  |
| Bonds                         | -              | 2,324,382        |
| <b>Total</b>                  | <b>-</b>       | <b>2,324,382</b> |

#### 18.1 Bonds

The Group issued \$2,000,000 bonds on 18 December 2017 to Blackwell Global Group Limited, a related party at a fixed interest rate of 6%. The bonds were to mature three years from the issue date at their nominal value of \$2,000,000.

The Group issued a further \$500,000 bonds to Blackwell Global Group Limited, a related party on 27 April 2019 at a fixed interest rate of 6%. The interest is payable six monthly. The bonds were to mature three years from the issue date at their nominal value of \$500,000.

The bonds are secured by a first ranking general security deed over all the present and after acquired property of Blackwell Global Holdings Limited.

The contributed capital component of the bonds represents the difference in fair value between the current fixed interest rate and the estimated interest rate of a similar bond issued to a third party.

The bond agreements with Blackwell Global Group Limited was amended by Deed of Variation dated 24 March 2020. The maturity period was extended from three to four years, and the interest rate reduced from 6% to 0% for six months starting 24 March 2020.

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 have 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. The resulting gain on revaluation of bonds is reported as contributed capital on bonds.

In June 2021, the Company redeemed \$1,000,000 of the Bonds for cash and paid \$750,000 to BGGL in June 2021, and \$250,000 in August 2021.

During the year, upon receiving shareholder approval, Blackwell Global Group Limited capitalised \$500,000 of its Bonds into 71,428,571 new ordinary shares in the Company, at an issue price of \$0.007 per share. This development provided BGI with an additional \$500,000 of capital which provided the Company with sufficient working capital to fund the outgoings and expenses for the year.

# Notes to the Consolidated Financial Statements

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No new bonds have been issued in the period. The value of the bonds recognised in the Consolidated Statement of Financial Position is calculated as follows:

|  | 2022           | 2021             |
|--|----------------|------------------|
|  | \$             | \$               |
| Balance at beginning of year               | 2,368,560      | 2,512,124        |
| Repayment of bonds                         | (1,500,000)    | -                |
| <b>Liability component carried forward</b> | <b>868,560</b> | <b>2,512,124</b> |
| Interest accrual                           | -              | 44,178           |
| Payment of interest on bonds               | (44,178)       | -                |
| Amortisation of the premium on the bonds   | 161,156        | 92,348           |
| Contributed capital on bonds               | -              | (280,090)        |
| <b>Bond liability</b>                      | <b>985,538</b> | <b>2,368,560</b> |
| <br>                                       |                |                  |
| <b>Bond liability</b>                      |                |                  |
| - in current borrowings                    | 985,538        | 44,178           |
| - in non-current borrowings                | -              | 2,324,382        |
| <b>Total</b>                               | <b>985,538</b> | <b>2,368,560</b> |

### 19. Cash and Cash Equivalents

|                          | 2022           | 2021             |
|--------------------------|----------------|------------------|
|                          | \$             | \$               |
| Cash at bank and on hand | 148,294        | 1,986,671        |
| <b>Total</b>             | <b>148,294</b> | <b>1,986,671</b> |

The current floating interest rate on cash in bank accounts is 0.20% per annum.

The bank balances are held with New Zealand trading bank with AAA credit ratings.

### 20. Net Debt

This section sets out an analysis of net debt for the periods presented for the Group.

|                           | 2022             | 2021             |
|---------------------------|------------------|------------------|
|                           | \$               | \$               |
| Cash and cash equivalents | 148,294          | 1,986,671        |
| Borrowings - current      | (985,538)        | (44,178)         |
| Borrowings - non-current  | -                | (2,324,382)      |
| <b>Total</b>              | <b>(837,244)</b> | <b>(381,890)</b> |

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

### 21. Share Capital

|  | No. of<br>Shares   | \$                |
|--|--------------------|-------------------|
| <b>Ordinary shares at 1 April 2020</b>     | 502,330,488        | 12,606,377        |
| Ordinary shares issued during the year     | -                  | -                 |
| <b>Ordinary shares as at 01 April 2021</b> | <b>502,330,488</b> | <b>12,606,377</b> |
| <b>Ordinary Shares as at 1 April 2021</b>  | 502,330,488        | 12,606,377        |
| Ordinary shares issued during the year     | 71,428,571         | 495,302           |
| <b>Ordinary shares as at 31 March 2022</b> | <b>573,759,059</b> | <b>13,101,679</b> |

All Ordinary Shares are issued and fully paid, have an equal right to vote, to dividends and to any surplus on winding up. The Group does not have a total number of authorised shares. The Board may issue shares or other equity securities to any person in any number it thinks fit provided that while the Group is Listed, the issue is made in accordance with the NZX listing rules.

Bonds with face value of \$500,000 were converted to 71,428,571 ordinary shares. An expense of \$4,698 relating to the issue of these shares was netted against the value. Refer to note 20.

### 22. Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

| Name of subsidiary                  | Principal activity   | Proportion of interest and voting power held by the Group |      |
|-------------------------------------|--|---|------|
|                                     |  | 2022  | 2021 |
| Blackwell Global Finance Limited    | Diversified financial services   | 100%  | 100% |
| NZF Money Limited (in receivership) | In receivership  | 100%  | 100% |
| Blackwell Global Funds Limited      | Special purpose vehicle established as custodian for funding arrangement | 100%  | 100% |

The place of incorporation and operation for all subsidiaries is New Zealand. The balance date of all companies in the Group is 31 March. All subsidiary entities were dormant in the current and previous financial years.

### 23. Financial Instruments by Category

| Financial Assets          | At amortised<br>cost<br>\$ | Total<br>\$    |
|---------------------------|----------------------------|----------------|
| <b>2022</b>               |                            |                |
| Cash and cash equivalents | 148,294                    | 148,294        |
| Other Receivables         | 14,471                     | 14,471         |
| <b>Total</b>              | <b>162,765</b>             | <b>162,765</b> |

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

|                           | At amortised<br>cost<br>\$ | Total<br>\$      |
|---------------------------|----------------------------|------------------|
| <b>2021</b>               |                            |                  |
| Loan receivables          | 643,672                    | 643,672          |
| Cash and cash equivalents | 1,986,671                  | 1,986,671        |
| Other receivables         | 8,347                      | 8,347            |
| <b>Total</b>              | <b>2,638,690</b>           | <b>2,638,690</b> |

| <b>Financial Liabilities</b>   | At amortised<br>cost<br>\$ | Total<br>\$      |
|--------------------------------|----------------------------|------------------|
| <b>2022</b>                    |                            |                  |
| Trade and other payables       | 5,221                      | 5,221            |
| Borrowings                     | 985,538                    | 985,538          |
| Accruals and other liabilities | 18,113                     | 18,113           |
| <b>Total</b>                   | <b>1,008,872</b>           | <b>1,008,872</b> |

|                                |                  |                  |
|--------------------------------|------------------|------------------|
| <b>2021</b>                    |                  |                  |
| Trade and other payables       | 58,597           | 58,597           |
| Borrowings                     | 2,368,560        | 2,368,560        |
| Accruals and other liabilities | 101,627          | 101,627          |
| <b>Total</b>                   | <b>2,528,784</b> | <b>2,528,784</b> |

## 24. Risk Management

### 24.1 Market Risk

Market risk is the risk that market interest rate or foreign exchange rates will change and impact on the Group's earnings due to mismatches between repricing dates of interest-bearing assets and liabilities. Refer to note 24.3 on interest rate risk for further details regarding interest rate risk. The Group has no exposure to pricing or foreign exchange risks.

### 24.2 Liquidity Risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations as they fall due. The timing mismatch of cash flows and the related liquidity risk is inherent in all financial operations and is closely monitored by the Group.

Management of liquidity risk is designed to ensure that the Group has the ability to generate or obtain sufficient cash in a timely manner and at a reasonable price to meet its financial commitments on a daily basis.

### 24.3 Interest Rate Risk

Currently the Group has only one interest bearing cash and cash equivalents bank account. This relates to the bank account with floating interest rates. The impact on loss after tax and equity would be as follows if the interest rates deviated by 1% from the current interest rates:

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

|                                  | 2022          | 2021            |
|----------------------------------|---------------|-----------------|
|                                  | \$            | \$              |
| <b>Cash and cash equivalents</b> | 148,294       | 1,986,671       |
| Rate (+/-1%)                     | 1,483/(1,483) | 19,867/(19,867) |

The entity has no remaining loan receivable balances at 31 March 2022. All other interest-bearing financial assets and liabilities are at fixed interest rates.

### 24.4 Credit Risk

Credit risk is the risk that a borrower will default on any type of debt by failing to make payments which it is obligated to make. The risk is primarily that of the lender and includes loss of principal and interest, disruption to cash flows and increased collection costs.

The Group's exposure to credit risk is governed by a credit risk policy approved by the Board by special resolution on 22 June 2017. This policy sets out the nature of risk which may be taken and aggregate risk limits, and the Group must conform to this.

Credit risk is managed to achieve sustainable risk-reward performance whilst maintaining exposures within acceptable risk parameters. This is achieved through the combination of governance, policies, systems and controls, underpinned by commercial judgement as described below.

Formal credit risk management strategies are in place to oversee and manage the Group's credit risk exposures typically on six monthly basis to ensure consistency with the Group's credit policies to manage all aspects of credit risk. The credit risk management strategies ensure that:

- Credit origination meets agreed levels of credit quality at point of approval.
- Maximum total exposure to any one debtor is actively managed.
- Changes to credit risk are actively monitored with regular credit reviews.

The loan recommendation aims to cover the following in order to achieve the overall objective to evaluate the firm's or individual's financial capabilities and determine if they are able to settle their loan obligations with the Group in the long run:

- Background
- Purpose
- Ownership and management
- Security
- Market information
- Financial information
- Value of security and guarantee(s)
- Cashflow and financial strength of the borrower, owner and guarantor(s).

|   | 2022 | 2021           |
|---|------|----------------|
|   | \$   | \$             |
| <b>Loans receivable</b>                                   |      |                |
| Secured by mortgage or first ranking caveat over property | -    | 643,672        |
| <b>Total</b>  | -    | <u>643,672</u> |

Principal and interest loans are secured loans where the debtor repays capital and interest on a regular basis.

The current year loan was secured over a residential property in Papatoetoe, Auckland. The loan balance at 31 March 2022 is \$Nil as the loan was repaid in June 2021.

There are no remaining loans outstanding at 31 March 2022.

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

|  | 2022     | 2021           |
|--|----------|----------------|
|  | \$       | \$             |
| <b>Capitalising interest loans</b>                       |          |                |
| Balance of loans with full/partial capitalising interest | -        | 649,121        |
| Accrued interest capitalised                             | -        | 968            |
| <b>Total</b>   | <b>-</b> | <b>650,089</b> |

### *Cash Management*

Any cash on hand is held by the ASB Bank which is a registered bank and has an AA- rating with Standard and Poor's.

### *Loan to value ratio (LVR) range*

Loan to value ratios are reviewed prior to any lending approvals and are subject to the approved credit policy. The maximum LVR varies by region:

| Location                | LVR |
|-------------------------|-----|
| Metropolitan - Auckland | 71% |
| Metropolitan - Other    | 0%  |
| Regional                | 0%  |

## 25. Related Parties

Blackwell Global Holdings Limited (the Group) is controlled by Blackwell Global Group Limited (incorporated in the Cayman Islands) which owns 66.74% of the Company's shares. The Group's ultimate controlling party is Mr Kaw Sing Chai, who also owns 9.74% of the Company's shares in his own name. The remaining 23.52% of the Company's shares are widely held.

### *Related party transactions*

The following expenses were paid by Blackwell Global Investments Limited on behalf of the Group. It has been agreed that these costs will not be recovered from the Group. The benefit of these transactions is recognised in sundry income (note 5) with the corresponding expenses included in operating expenses.

Blackwell Global Investments Limited is a related party through common shareholding.

|                               | 2022          | 2021          |
|-------------------------------|---------------|---------------|
|                               | \$            | \$            |
| Electricity                   | -             | 2,600         |
| Office Expenses               | -             | 23,359        |
| Telephone, Tolls and Internet | -             | 7,445         |
| Office Rent                   | 14,518        | 65,839        |
| <b>Total</b>                  | <b>14,518</b> | <b>99,243</b> |

### *Other related party transactions*

|                            |                      | 2022 | 2021   |
|----------------------------|----------------------|------|--------|
|                            |                      | \$   | \$     |
| <b>Invoices issued by:</b> | <b>Related party</b> |      |        |
| Boston Kiwi Corporation    | Craig Alexander      | -    | 921    |
| Anthony Harper             | Ewe Leong Lim        | 517  | 42,255 |

Anthony Harper, where former director Ewe Leong Lim is a partner, provided legal services to the Group. Boston Kiwi Corporation, where director Craig Alexander is a partner, provided consulting services to the Group.

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

### 25.1 Remuneration of Directors

|                         | 2022           | 2021           |
|-------------------------|----------------|----------------|
|                         | \$             | \$             |
| Sean Joyce              | 86,250         | 86,250         |
| Craig Alexander         | 51,750         | 51,750         |
| Say Chan Law (James)    | -              | 51,750         |
| Ewe Leong Lim           | -              | 51,750         |
| Kaw Sing Chai (Michael) | -              | (70,500)       |
| <b>Total</b>            | <b>138,000</b> | <b>171,000</b> |

On 9 March 2021, Kaw Sing Chai (Michael) signed a memorandum agreeing to waive payment of all accrued and unpaid director fees to date and waive payment of future director fees. The total accrued director fees owed to him of \$111,750 were therefore reversed causing his remuneration to be negative in the 2021 year.

All directors are common to all the subsidiary companies in the Group.

### 25.2 Key Management Personnel Remuneration

Key management personnel include directors and senior management. The directors are remunerated solely through directors fees which are separately disclosed in Note 25.1. The amounts discussed below relate to senior management who left the Company in 2021.

As a result of the Directors decision to wind down the existing finance company operation, the Chief Executive Officer and Chief Operating Officer roles were disestablished and both members left in February 2021.

|                                 | 2022 | 2021    |
|---------------------------------|------|---------|
|                                 | \$   | \$      |
| Salaries and fees               | -    | 291,553 |
| Number of personnel remunerated | -    | 2       |

### 25.3 Directors Shareholdings

| Director                | Holder(s)               | Number of Shares |            |
|-------------------------|-------------------------|------------------|------------|
|                         |                         | 2022             | 2021       |
| Kaw Sing Chai (Michael) | Kaw Sing Chai (Michael) | 55,871,667       | 55,871,667 |
| Say Chan Law (James)    | Say Chan Law (James)    | 19,290,000       | 27,826,000 |

All directors are common to all the subsidiary companies in the Group.

As at 31 March 2022, Kaw Sing Chai also has 100% shareholding in Blackwell Global Group Limited (2021: 100%) which holds 382,929,770 shares in the Group (2021: 311,501,199).

During 2019 and 2018, bonds were issued to Blackwell Global Group Limited based in Singapore in which Kaw Sing Chai has shareholding interests. Refer to note 18 for further details.

### 25.4 Interested Transactions

During the year legal services were obtained from Anthony Harper where former director Ewe Leong Lim is a partner totalling \$517 (2021: \$29,318).

#### *Directors' Remuneration*

Remuneration details of Directors are provided above.

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

### *Indemnification and Insurance of Officers and Directors*

The Group indemnifies Directors and Executive Officers of the Group against all liabilities which arise out of the performance of their normal duties as Directors or Executive Officers, unless the liability relates to conduct involving lack of good faith. To manage this risk, the Group has indemnity insurance. The total cost of this insurance expensed in the Group during the financial year was \$16,268 (2021: \$19,987).

### *Share Transactions*

No directors acquired or disposed of any Ordinary Shares in the Group during the year. Blackwell Global Group Limited, in which Kaw Sing Chai has shareholding interests, capitalised \$500,000 of its bonds into Ordinary Shares. Refer to note 17 for further details.

### *Directors' Loans*

There were no loans made by the Group to the Directors or by the Directors to the Group during the year.

### *Use of Group Information*

The Board received no notices during the year from Directors requesting to use Group information received in their capacity as Directors which would not otherwise have been available to them.

## **26. Going Concern**

The Group has incurred a net loss for the year of \$382,271 (2021: loss of \$779,559) and as of 31 March 2022 has positive equity of \$230,983. The Company is reliant upon the continued support of its lenders including shareholder advances. The going concern basis assumes continued support of these parties in following financial periods. Should this support not continue, this may indicate the existence of a material uncertainty which would impact on the adoption of the going concern assumption. The Board have implemented a number of strategies to reduce the outgoings of the Company and is actively looking to identify a suitable business opportunity to invest in and/or acquire through a reverse takeover transaction (RTO).

The Company is able to meet loan repayment commitments and costs given the current bank balance of \$148,294, combined with the current term deposit investment of \$1,000,000 which expired after balance date on 28 April 2022.

Blackwell Global Group Limited issued a letter of comfort after balance date on 27 June 2022 stating that in its capacity as majority shareholder, they will provide ongoing support to the Company and plan to:

1. Capitalise \$450,000 of the Bonds into new fully paid ordinary shares in accordance with the arrangement agreed upon at the last board meeting.
2. Provide the Company with adequate financial support, in the form of additional funding to the extent of no less than \$550,000 to ensure ongoing business continuity and solvency.

The directors in determining that the financial statements be prepared on a going concern basis have taken into account events subsequent to balance date.

## **27. Segment Reporting**

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.

## **28. Capital Management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust issue of new shares or borrowings to reduce debt.

# Notes to the Consolidated Financial Statements

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

### 29. Lease Commitments

As at 31 March 2022, the Group had no material lease commitments (2021: Nil).

### 30. Capital Commitments

There were no capital commitments at 31 March 2022 (2021: Nil).

### 31. Contingent Assets and Liabilities

There are no material contingencies as at 31 March 2022 (2021: Nil).

### 32. Subsequent Events

After balance date, Blackwell Global Group Limited issued a letter of comfort on 27 June 2022 stating that in its capacity as majority shareholder, they will provide ongoing support to the Company and plan to:

1. Capitalise \$450,000 of the Bonds into new fully paid ordinary shares in accordance with the arrangement agreed upon at the last board meeting.
2. Provide the Company with adequate financial support, in the form of additional funding to the extent of no less than \$550,000 to ensure ongoing business continuity and solvency.

There have been no other significant events after balance date.

### 33. Approval of Financial Statements

The financial statements were approved by the directors and authorised for issue on 29 June 2022.

## **Additional Information**

### **Blackwell Global Holdings Limited**

**For the year ended 31 March 2022**

#### **Directors**

The names of the Directors of the Group in office at the date of this Report are:

Craig Irving Alexander  
Kaw Sing Chai (Michael)  
Kim Chan Steve Chua (Alternate)  
Sean Robert Joyce (Chair)  
Say Chan Law (James)

#### **Auditors**

Fees accrued to William Buck in the 2022 year are \$18,113.

#### **Employees**

The Group no longer has any employees not being directors.

#### **Donations**

There were no donations paid during the year (2021: \$Nil).

#### **Shareholders**

As at 01 April 2022 there were 470 shareholders.

#### **Share Issues**

There were 71,428,571 shares issued during the year (2021: Nil).

#### **Shareholder Details**

The ordinary shares of Blackwell Global Holdings Limited are listed on the NZX Main Board market operated by NZX Limited.

## Additional Information

### Blackwell Global Holdings Limited

For the year ended 31 March 2022

#### Largest Shareholders

Shareholder data in Additional Information is as at 11 May 2022, unless otherwise stated.

| Name  | Fully Paid Ordinary<br>Shares Number Held | % Held |
|---|---|--------|
| 1 Blackwell Global Group Limited  | 382,929,770                               | 66.74% |
| 2 Chai Kaw Sing   | 55,871,667                                | 9.74%  |
| 3 New Zealand Depository Nominee  | 31,611,543                                | 5.51%  |
| 4 Say Chan Law  | 19,290,000                                | 3.36%  |
| 5 Pat Redpath O`Connor<br>Lynton Ross Campbell & Dennis Michael Graham & Mark   | 17,010,002                                | 2.96%  |
| 6 Hume Thonton  | 9,095,514                                 | 1.59%  |
| 7 Barbara Charlotte Brown   | 7,834,488                                 | 1.37%  |
| 8 Annette Kathleen Early  | 4,010,000                                 | 0.70%  |
| 9 Minhua Chen<br>Fiona Patrica Lyons & Kim Nigel Lyons & K & F Lyons            | 3,082,461                                 | 0.54%  |
| 10 Trustees Limited<br>Paul Richard Huljich & Mark Richard Huljich & Simon Paul | 3,001,915                                 | 0.52%  |
| 11 Huljich  | 2,451,664                                 | 0.43%  |
| 12 Walter Mick George Yovich & Jeanette Julia Yovich                            | 2,193,409                                 | 0.38%  |
| 13 New Zealand Central Securities Depository Limited                            | 2,142,710                                 | 0.37%  |
| 14 Land Securities Limited  | 1,689,752                                 | 0.29%  |
| 15 Kim Best   | 1,400,000                                 | 0.24%  |
| 16 Teck Khing Yong  | 1,331,069                                 | 0.23%  |
| 17 David Alexander Kennedy  | 1,062,500                                 | 0.19%  |
| 18 Kenneth Paul Donelan   | 1,000,000                                 | 0.17%  |
| 19 Tzu-Tong Ma  | 974,500                                   | 0.17%  |
| 20 Margaret Dorothea Greene   | 819,672                                   | 0.14%  |
| 20 Walter Mick George Yovich  | 819,672                                   | 0.14%  |

#### Distribution of Equity Securities

| Size of Holding | Number of Security Holders |         | Number of Securities |         |
|-----------------|----------------------------|---------|----------------------|---------|
|                 | Number                     | %       | Number               | %       |
| 1-1,000         | 34                         | 7.23%   | 21,983               | 0.00%   |
| 1,001-5,000     | 127                        | 27.02%  | 434,666              | 0.08%   |
| 5,001-10,000    | 67                         | 14.26%  | 565,851              | 0.10%   |
| 10,001-50,000   | 122                        | 25.96%  | 2,846,306            | 0.50%   |
| 20,000-100,000  | 37                         | 7.87%   | 2,867,569            | 0.50%   |
| 100,001 or more | 83                         | 17.66%  | 567,022,684          | 98.83%  |
| Total           | 470                        | 100.00% | 573,759,059          | 100.00% |

## **Additional Information**

### **Blackwell Global Holdings Limited**

**For the year ended 31 March 2022**

#### **Substantial Product Holders**

Pursuant to Section 293 of the Financial Markets Conduct Act 2013, details of substantial product holders and their total relevant interests as at 31 March 2022 is as follows:

|                                | <b>Number of Shares</b> |
|--------------------------------|-------------------------|
| Blackwell Global Group Limited | 382,929,770             |
| Chai Kaw Sing                  | 55,871,667              |
| New Zealand Depository Nominee | 31,611,543              |

The total number of Shares on issue as at 31 March 2022 was 573,759,059 (2021: 502,330,488).

#### **Shareholder Enquiries**

Shareholders should send changes of address to Link Market Services Limited at the address noted in the Company Directory. Notification must be in writing. Questions relating to shareholdings should also be addressed to Link Market Services Limited. For information about the Company please contact the Company at the Registered Office by sending an e-mail to [info@bgholdings.co.nz](mailto:info@bgholdings.co.nz) or visit the website [www.bgholdings.co.nz](http://www.bgholdings.co.nz).

#### **Announcement and Reporting to Shareholders**

The Company has established an e-mail list of Shareholders that want to receive announcements and reports made by Blackwell Global Holdings Limited to the NZX. Announcements and reports are e-mailed to Shareholders who wish to receive them shortly after they are released. This will include the Annual Meeting addresses, Annual Reports and Interim Reports. If you want to be added to this listing, please e-mail [registry@bghholdings.co.nz](mailto:registry@bghholdings.co.nz) and advise us of your preferred e-mail address. Your e-mail details will be kept confidential.

#### **Waivers**

During the course of the financial year ended 31 March 2022 the Company obtained no waivers from NZX Limited.

# COMPANY DIRECTORY

## Blackwell Global Holdings Limited

For the year ended 31 March 2022

As at 31 March 2022

### Independent Directors

Sean Joyce  
Craig Alexander

### Non-executive Directors

Kaw Sing Chai  
Say Chan Law  
Kim Chan Steve Chua

### Registered Office

84 Coates Avenue  
Orakei, Auckland

### Company Number

1474151

### Incorporated

22 January 2004

### Shares Issued

573,759,059 Ordinary

### Share Registrar

Link Market Services Limited  
Deloitte Centre, 80 Queen Street, Auckland  
Tel: 09 375 5998

### Solicitors

Chapman Tripp  
Level 34, PwC Tower 15 Customs Street West  
Auckland

### Bankers

ASB Bank Limited  
ASB, North Wharf, 12 Jellicoe Street, Auckland

### Auditor

William Buck  
Level 4  
21 Queen Street  
Auckland 1010

# Blackwell Global Holdings Limited

Independent auditor's report to the Shareholders

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Blackwell Global Holdings Limited (the Group), which comprise the consolidated statement of financial position as at 31 March 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 March 2022, and of its financial performance and its cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

#### ACCOUNTANTS & ADVISORS

Level 4, 21 Queen Street  
Auckland 1010, New Zealand  
PO Box 106 090  
Auckland 1143, New Zealand  
Telephone: +64 9 366 5000  
**williambuck.co.nz**

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William Buck Audit (NZ) Limited

## **Material Uncertainty Related to Going Concern**

We draw attention to Note 26 in the financial statements, which indicates that the Group incurred a net loss of \$382,271 during the year ended 31 March 2022, and as of that date, has equity of \$230,983. The Group no longer has any trading activities, and accordingly is reliant on ongoing support from its key shareholder to meet ongoing administration costs. This support has been provided. As stated in Note 26, these events or conditions, along with other matters as set forth in Note 26, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this.

## **Information Other than the Financial Statements and Auditor's Report Thereon**

The Directors are responsible for the other information. The other information comprises the Chairman's Report, Corporate Governance Statement, Additional Information, and Company Directory, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, 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 audit or otherwise appears to be materially misstated. 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. We have nothing to report in this regard.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters are 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.

We have no key audit matters to report on for the year.

## **Directors' Responsibilities**

The directors are responsible on behalf of the Group for the preparation of consolidated financial statements that give a true and fair view in accordance with New Zealand equivalents to International Financial Reporting Standards, 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 financial statements, the directors are responsible for assessing the Group'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 or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1/>

This description forms part of our independent auditor's report.

The engagement director on the audit resulting in this independent auditor's report is Michael Wood.

This report is made solely to the Group's shareholders, as a body. Our audit work has been undertaken so that we might state to the Group's shareholders those matters which 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 Group and the Group's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

A handwritten signature in blue ink that reads 'William Buck'.

**William Buck Audit (NZ) Limited**

Auckland

29 June 2022