

BWA Group PLC
Final Results for the 8 months to 31 December 2019

30 September 2020

Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information for the purposes of Article 7 under the Market Abuse Regulation (EU) No. 596/2014 ("MAR"). With the publication of this announcement, this information is now considered to be in the public domain.

BWA Group PLC

("BWA" or "the Company")

Final Results for the 8 months to 31 December 2019

BWA Group plc [AQSE: BWAP], which has mineral exploration licences split between Canada and Cameroon at various stages of development and is quoted on London's AQSE Growth Market (formerly NEX), is pleased to announce its final results and the publication of its audited annual report and accounts for the year to 31 March 2020. A copy of the report and accounts for the 8 months to 31 December 2020 (the "Annual Report") has been posted on the Company's website, <http://www.bwagroupplc.com>, and can also be viewed here:

https://mma.prnewswire.com/media/1295309/BWA_31_Dec_19_Final.pdf

Key elements from the Annual Report have been extracted and can be viewed below.

Ends –

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REVIEW OF BUSINESS

This review covers the period of eight months to 31 December 2019. On 30 September 2019 the Company completed the investment in 100% of the equity of Kings of the North Corp ("KOTN") from St George's Eco-Mining Corp ("St George's") and other vendors. As part of that transaction Mr Vilhjalmur Vilhjalmsson was appointed as Chief Executive Officer of both the Company and KOTN. Mr Vilhjalmsson is also Chief Executive Officer of St George's. Unfortunately, it quickly became clear Mr Vilhjalmsson needed to spend more time on the business of St George's and was unable to commit sufficient time to BWA and KOTN and he resigned as a director of the Company on 18 November 2019. This left KOTN without any executive management and before an appointment could be made the COVID pandemic made travel to Canada impossible and the business was unable to progress. This situation continued for some months with no development being achieved. The BWA board, therefore, determined the investment in KOTN should be sold and an agreement in principle has been reached with St George's that they and the other original vendors will buy BWA's shareholding. In the period under review the investment in KOTN was held at the end of the period and, as the investment was classified as a subsidiary held as part of an investment portfolio, no income or expenditure has been included in the Income Statement.

The disposal of the KOTN investment is described in Post Balance Sheet Events in note 18 of the Annual Report.

The Company's interest in rutile sands licences in Cameroon is held via its interest in BWA Resources (UK) Limited. This investment is also classified as a subsidiary held as part of an investment portfolio. Prior to the year end the Cameroon company BWA Resources Cameroon Limited ("BWARC") received its first licence for exploration for rutile sands at an area North East of the Yaoundé, the capital of Cameroon, covering nearly 500 sq. km. Immediately after the year end a second licence for an area of some 130 sq. km was received at Dehane which is near the coastal city of Douala. BWARC has a locally based management team in Cameroon which has meant the company has been able to continue operating, albeit at less than optimum level, during the pandemic. The two areas have been marked out during this period and some very preliminary material sampling carried out which has indicated some potentially interesting results.

Together with the investment in BWA Resources (UK) Limited, the BWA board consider the investment in Mineralfields Group Limited, which was BWA's introduction to the opportunities in Cameroon, to form part of the Company's total investment in the Cameroon project.

During the period a thorough review of the investment in Prepaid Card Services Limited was carried out. As this investment had become no longer core to the investment focus of BWA it was decided not to spend further management time in seeking to develop the company and, as a result, the value of the investment, which is recognised as Available-for-Sale, has been written down to £1.

Following the resignation of Mr Vilhjalmsson, and to increase the board's experience in the mining sector, Mr James Hogg was appointed as an additional non-executive director on 8 June 2020. Mr Hogg is an experienced mining engineer and managing director of Addison Mining Services Limited, a consultancy operating in the mining exploration field.

Post the year end the effects of the pandemic have been serious for the Company, as detailed above, and delays in communication which have, in turn, delayed the Company's fund-raising activities as well as the publication of these accounts. It is to be hoped business activity returns to more normal levels in the near future.

Events post the year-end have been challenging but the board is confident of its progress in Cameroon.

FUTURE DEVELOPMENTS

The directors will use their experience to identify appropriate targets, carry out due diligence and negotiate acquisitions and investments. When appropriate, the directors may consider further fundraising to provide additional resources for the company ahead of such an acquisition or investment.

The impact of the COVID-19 pandemic has been severe as travel to the company's various investments in Canada and Cameroon has not been possible since mid-February. In particular it has proved impossible to manage effectively the investment in Kings of the North in Canada where a whole season has been lost due to the inability to plan and implement work programmes from the UK. In August 2020 the board determined that the company would be better served divesting the Canadian operation to concentrate on the operation in Cameroon where the subsidiary there had staff in-country and where it has proved possible to support activities from the UK. Accordingly, it was announced in August that the Kings of the North business would be sold back to the original vendors, St. George's Eco-Mining Corp and other individual vendors.

In Cameroon the focus is on doing work on the two licence areas to determine the best areas for future exploration and to gain early-stage opinions on the quality of deposits.

BWA GROUP PLC

INCOME STATEMENT

FOR THE PERIOD 1 MAY 2019 TO 31 DECEMBER 2019

Period

1.5.19

to Year Ended

31.12.19 30.4.19

(as restated)

Notes £ £

TURNOVER - -

Administrative expenses 378,104 110,876

(378,104) (110,876)

Other operating income 60,000 -

Loss on revaluation of investments 12 (314,285) (1,877)

OPERATING LOSS 7 (632,389) (112,753)

Interest receivable and similar income 7 48

Interest payable and similar charges 9 (38,078) (32,577)

LOSS BEFORE TAXATION (670,460) (145,282)

Tax on loss 10 - -

LOSS FOR THE FINANCIAL PERIOD (670,460) (145,282)

Earnings per share expressed

in pence per share: 11

Basic -0.41 -0.12

Diluted -0.41 -0.12

BWA GROUP PLC

OTHER COMPREHENSIVE INCOME

FOR THE PERIOD 1 MAY 2019 TO 31 DECEMBER 2019

Period

1.5.19

to Year Ended

31.12.19 30.4.19

(as restated)

Notes £ £

LOSS FOR THE PERIOD (670,460) (145,282)

OTHER COMPREHENSIVE INCOME - -

TOTAL COMPREHENSIVE INCOME FOR THE PERIOD

(670,460) (145,282)

BWA GROUP PLC (REGISTERED NUMBER: 00255647)

BALANCE SHEET

31 DECEMBER 2019

2019 2019

Notes £ £ £ £

FIXED ASSETS

Investments 12 5,179,414 608,169

CURRENT ASSETS

Debtors 13 144,839 160,748

Cash at bank 15,973 12,302

160,812 173,050

CREDITORS

Amounts falling due within one year 14 (152,554) (140,151)

NET CURRENT ASSETS 8,258 32,899

TOTAL ASSETS LESS CURRENT LIABILITIES

5,187,672 641,068

CAPITAL AND RESERVES

Called up share capital 17 1,355,129 602,659

Share premium 18 12,663 12,663

Other reserve 18 293,493 607,778

Capital redemption reserve 18 288,625 288,625

Equity reserve 18 4,711,958 247,364

Retained earnings 18 (1,474,196) (1,118,021)

SHAREHOLDERS' FUNDS 5,187,672 641,068

The financial statements were approved by the Board of Directors and authorised for issue on 30th September 2020 and were signed on its behalf by:

R G Battersby

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R G Battersby - Director

BWA GROUP PLC

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD 1 MAY 2019 TO 31 DECEMBER 2019

Called up			
share Retained Share			
capital earnings premium			
£ £ £			
Balance at 1 May 2018 (as restated)	602,659	(974,616)	12,663
Changes in equity			
Total comprehensive loss - (145,282) -			
Reserves transfer - 1,877 -			

Balance at 30 April 2019 (as restated) 602,659 (1,118,021) 12,663

Changes in equity

Total comprehensive loss - (670,460) -

Reserves transfer - 314,285 -

Issue of share capital 752,470 - -

Balance at 31 December 2019 1,355,129 (1,474,196) 12,663

Capital

Other redemption Equity Total

reserve reserve reserve equity

£ £ £ £

Balance at 1 May 2018 (as restated) 609,655 288,625 225,364 764,350

Changes in equity

Total comprehensive loss - - - (145,282)

Reserves transfer (1,877) - - -

Convertible loan note interest - - 22,000 22,000

Balance at 30 April 2019 (as restated) 607,778 288,625 247,364 641,068

Changes in equity

Total comprehensive loss - - - (670,460)

Reserves transfer (314,285) - - -

Issue of share capital - - - 752,470

Convertible loan notes issued - - 4,841,000 4,841,000

Convertible loan note interest - - 15,611 15,611

Conversion of loan notes - - (392,017) (392,017)

Balance at 31 December 2019 293,493 288,625 4,711,958 5,187,672

BWA GROUP PLC

CASH FLOW STATEMENT

FOR THE PERIOD 1 MAY 2019 TO 31 DECEMBER 2019

Period

1.5.19

to Year Ended

31.12.19 30.4.19

Notes £ £

Cash flows from operating activities

Cash generated from operations 1 (68,595) (86,113)

Interest paid (9,212) (7,978)

Net cash from operating activities (77,807) (94,091)

Cash flows from investing activities

Purchase of fixed asset investments (39,029) -

Interest received 7 48

Net cash from investing activities (39,022) 48

Cash flows from financing activities

New loans in period 16,500 30,000

Convertible loan notes issued 101,000 -

Amount introduced by directors 3,000 -

Net cash from financing activities 120,500 30,000

Increase/(decrease) in cash and cash equivalents		3,671	(64,043)
Cash and cash equivalents at beginning of period	2	12,302	76,345
Cash and cash equivalents at end of period	2	15,973	12,302
