

BWA Group PLC

Audited Results for the year ended 30 April 2018

28 September 2018

BWA GROUP PLC
("BWA" or the "Company")

Audited Results for the year ended 30 April 2018

REVIEW OF BUSINESS

As you are aware, the objective of the Company is to find a suitable candidate for a reverse take-over and, in the meantime, to invest in smaller opportunities that may arise. As shareholders will also be aware, finding suitable candidates is a time-consuming process but the Board continues to try hard to bring a transaction to fruition.

Your Directors have continued to nurture the two early stage investments in which the Company already has a direct interest, namely Prepaid Global Services Limited (formerly Prego International Limited) and Mineralfields Group Limited. Both investments are held as Available-For-Sale as it is the intention to realise their value as soon as practicable.

Mineralfields Group Limited is the holding company of a small group which has been attempting to obtain mining licences in Cameroon. Progress has been hampered by the company not being listed so during the year BWA decided, in agreement with Mineralfields Group, to make its own application for 5 licences each of 500 sq.km. through a wholly-owned subsidiary in Cameroon, BWA Resources Cameroon Limited. This is the maximum area for which any one company can apply. In the last twelve months there have been two visits to Cameroon to meet the Minister of Mines and his senior staff to seek to expedite the issue of the licences for which we have applied. The British High Commissioner in Cameroon is following the applications on our behalf. In the event our application is successful BWA will negotiate an operating agreement with Mineralfields Group. The Company's holding in Mineralfields has been valued at 0.1p per share which is the price at which shares were issued in the most recent funding round and which accounts for the value attributed to them in these accounts of £293,261. To finance the activities of both Mineralfields Group and BWA Resources Cameroon Limited, in February 2018, BWA Group plc issued £220,000 nominal of convertible loan notes (of which £150,000 was issued for cash). The convertible loan notes are convertible on 31 December 2019 for BWA Group plc shares at a price of 0.5p per share. The whole of the Company's investment in Cameroon, including loans made to Mineralfields and BWA Resources (UK) Limited is carried in the balance sheet at £453,963.

Prepaid Global Services Limited is a programme manager for the issuance of Prepaid Master- and Visa-Cards, targeted at migrant workers in the Far East and Europe, with an initial concentration in the case of Europe on Norway and the Scandinavian countries. Prepaid's development has been considerably slower than we originally hoped but we are working to produce an acceptable result for our shareholders. Prepaid's intention remains to list its shares on a European stock exchange at the earliest opportunity, possibly by means of a takeover. The Company's investment in Prepaid is valued at £314,364 which is the price at which BWA last sold a small part of its holding.

The Board is hopeful that these two investments will yield a return over the medium term having obtained the additional finance they require, obtained market listings or been the subject of trade sales. In the meantime, your Directors will continue their search for suitable opportunities in the Mining and FinTech fields or other transactions which will transform the Company's activities.

KEY PERFORMANCE INDICATOR

The key performance indicator of the company is the valuation of its investment portfolio. At 30 April 2018 the value of the company's portfolio was £610,046 (2017: £618,271).

For further information, please contact:

BWA Group Plc

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Peterhouse Capital Limited

Mark Anwyl 020 7469 0930

INCOME STATEMENT FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	£	£
TURNOVER	-	-
Administrative expenses	62,232	31,322
	(62,232)	(31,322)
Other operating income	891	12,000
OPERATING LOSS	(61,341)	(19,322)
Interest receivable and similar income	10	16
	(61,331)	(19,306)
Interest payable and similar expenses	7,510	-
LOSS BEFORE TAXATION	(68,841)	(19,306)
Tax on loss	-	-
LOSS FOR THE FINANCIAL YEAR	(68,841)	(19,306)
Earnings per share expressed in pence per share:		
Basic	-0.06	-0.02
Diluted	-0.06	-0.02

OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	£	£
LOSS FOR THE YEAR	(68,841)	(19,306)
OTHER COMPREHENSIVE INCOME		
Unrealised gain/(loss) on revaluation of investments	(8,226)	(206)
Income tax relating to other comprehensive income	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	(8,226)	(206)

TOTAL COMPREHENSIVE LOSS FOR THE YEAR (77,067) (19,512)
BALANCE SHEET AS AT 30 APRIL 2018

	2018		2017	
	£	£	£	£
FIXED ASSETS				
Available-for-sale investments		610,046		618,271
CURRENT ASSETS				
Debtors	160,701		15,774	
Cash at bank	76,345		16,980	
	237,046		32,754	
CREDITORS				
Amounts falling due within one year	82,742		80,611	
NET CURRENT ASSETS/(LIABILITIES)		144,304		(47,857)
TOTAL ASSETS LESS CURRENT LIABILITIES		764,350		570,414
CAPITAL AND RESERVES				
Called up share capital		602,659		560,788
Share premium		12,663		12,663
A-F-S revaluation reserve		609,655		617,881
Capital redemption reserve		288,625		288,625
Equity reserves		225,364		-
Retained earnings		(974,616)		(909,543)
SHAREHOLDERS' FUNDS		764,350		570,414

The Company's audited accounts for the year ended 30 April 2018 contain the following statement by the Company's auditors:

"Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 3 to the financial statements concerning the company's ability to continue as a going concern. At 30 April 2018 the company had incurred a loss of £68,841 (2017: £19,306 loss). These conditions, along with the other matters explained in note 3 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Emphasis of matter

We draw your attention to note 3 of the financial statements, which describes the accounting policy regarding the valuation of unquoted investments. We note that there is significant uncertainty

regarding the key assumptions which the directors used when valuing these investments. Specifically, the investment in Mineralfields Group Ltd is highly dependent on the ability of the directors to both obtain and retain the mining licences in Cameroon, discussed in the Strategic Report. The investment in Prepaid Global Services Ltd is essentially contingent on the ability of the company to list its shares on a European stock exchange.

Our opinion is not modified in this respect.”

The Directors do not recommend the payment of a dividend.

The information above has been extracted from BWA's audited accounts for the year ended 30 April 2018.

The Directors of BWA are responsible for the contents of this announcement.