

ASX Announcement

COMPANY UPDATE – MANAGEMENT & DIRECTOR CHANGES

BlackWall Limited (BlackWall) announces that it has transferred the management rights over WOTSO Property (ASX: WOT) and has completed a rationalisation of assets acquired in the merger with Pelorus Private Equity Limited (Pelorus) in November 2023.

The transfer of the management rights has the effect of making WOTSO Property a self-managed entity. BlackWall Chairman, Seph Glew, said that following the acquisition of Pelorus, BlackWall holds over 48 million WOT securities and we believe that by internalising the management, we give WOTSO Property a greater capacity to grow and take advantage of opportunities, which should ultimately flow through to the value of our WOT securities.

BlackWall retains its broader property and funds management business and has grown its investment in the landmark property at 55 Pyrmont Bridge Rd and The Woods Action Centre in Villawood. “In addition to our holding in WOT we have \$30M in commercial real estate plus several small investments in unrelated startup businesses” said Mr Glew.

With the acquisition of Pelorus and disposal of the WOT management rights there will be a number of consequential changes to the BlackWall Board and management structure. Whilst for the past four years Tim Brown and Jessie Glew have been Joint Managing Directors of BlackWall, both are leaving the Board, with Jessie taking up the role of CEO of WOTSO Property and Tim taking time to refresh before exploring new opportunities.

Tim will be leaving after 16 years with the group. He was financial controller and then CFO of Pelorus Property Group, which was listed on the ASX until 2011. During that time Tim assisted in the delisting and demerger of Pelorus Property Group and the listing of what is now BlackWall and WOTSO Property. While Tim was CFO, the WOTSO business was created within BlackWall before being spun off into a standalone vehicle. In 2019 Tim became Joint Managing Director of BlackWall and played a strategic role in the stapling of the WOTSO business to the BlackWall Property Trust to form what is now WOTSO Property. Seph Glew said “It has been quite a journey and we are grateful to Tim for his commitment and loyalty. We now have BlackWall and WOTSO Property set up for the future and I wish Tim well in whatever he chooses to do next”.

Going forward the Board of BlackWall will comprise Seph Glew, Robin Tedder and Richard Hill, with Robin taking up the role of Executive Director.

The disposal of the WOT management rights and rebalancing of the BlackWall portfolio has impacted the composition of BlackWall’s balance sheet. The following pro-forma balance sheet sets out the Directors’ view of the tangible assets and liabilities of the business as at today’s date:

PRO FORMA BALANCE SHEET

WOT Securities	48,630,000 @ \$1.20	\$58,000,000
Net Equity In Commercial Real Estate		\$30,000,000
Start-Up Ventures (Current Val Est.)		\$2,000,000
Cash & Equivalents		<u>\$5,000,000</u>
Total Tangible Assets		\$95,000,000
Liabilities	Dividend Payable (Scrip & Cash)	(\$4,000,000)
	Other Liabilities	<u>(\$2,000,000)</u>
Total Liabilities		(\$6,000,000)
Net Tangible Equity		\$89,000,000
NTA Per Share		\$0.53

- 1) NTA excludes the value of property and funds management business and deferred taxes.
- 2) Each 10c movement in WOT security price affects NTA by 3cps