



**BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG)**  
**145 095 478**

## **Appendix 4E**

### **Results for the 12 months ended 31 October 2015**

---

#### **1. Details of reporting periods**

Current reporting period : Twelve (12) months to 31 October 2015  
Previous corresponding period : Twelve (12) months to 31 October 2014

#### **2. Results for announcement to the market**

	<b>12 Months 31 Oct 2015 A\$ '000</b>	<b>12 Months 31 Oct 2014 A\$ '000</b>	<b>% Change</b>	<b>6 Months 30 Apr 2015 A\$ '000</b>	<b>% Change</b>
Revenues from ordinary activities	419,401	336,082	24.8%	194,178	116.0%
Profit from ordinary activities after tax attributable to members	17,691	26,422	(33.0%)	6,843	158.5%
Net profit for the period attributable to members	17,691	4,967	256.2%	6,843	158.5%



## **BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG)**

### **145 095 478**

**Brief explanation of any of the figures reported above necessary to enable the figures to be understood**

#### **Operating Results**

Revenues from ordinary activities for the year increased by approximately A\$83.3 million or 24.8% to approximately A\$419.4 million for the year ended 31 October 2015 ("FY2015"), mainly attributable to an increase in revenue from our trading division.

The general weakening of coal prices affected the coal mining and coal trading sales, resulting in lower gross margin and profit in FY2015. Profit from ordinary activities after tax attributable to members decreased by approximately 33.0% from A\$26.4 million in FY2014 to A\$17.7 million in FY2015.

Net profit for the year attributable to members increased from A\$5.0 million in FY2014 to A\$17.7 million in FY2015 as there was an impairment of non-current assets in FY2014 amounting to A\$21.5 million.

Amount per security and franked amount per security of final and interim dividend	No dividends have been paid or provided for during the period.
Record date for determining entitlements to the dividend and payment date	Not applicable



## BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG) 145 095 478

### 3. Statement of comprehensive income

FOR THE YEAR ENDED	<u>31-Oct-15</u>	<u>31-Oct-14</u>
	<u>A\$'000</u>	<u>A\$'000</u>
Revenue	419,401	336,082
Cost of Sales	(385,658)	(293,205)
Gross Profit	33,743	42,877
Other Income	12,371	6,826
Reversal of Restoration Provision	-	931
	46,114	50,634
Distribution and Marketing Expenses	(2,779)	(4,449)
Administrative Expenses	(8,378)	(8,135)
Other Expenses	(4,730)	(1,925)
Finance Costs	(11,599)	(7,885)
Impairment of Non-current Assets	-	(21,455)
Share of Results in an Associate	39	(18)
Profit before Income Tax	18,667	6,767
Income Tax Expense	(976)	(1,800)
<b>Profit after Income Tax</b>	<b>17,691</b>	<b>4,967</b>
Other Comprehensive Income (net of tax)		
- Exchange differences on translating foreign controlled entities	34,970	12,734
<b>Total Comprehensive Income for the Financial Year</b>	<b>52,661</b>	<b>17,701</b>
Profit after Income Tax attributable to		
Members of the Company	17,691	4,967
Total Comprehensive Income for the Financial Year		
attributable to:		
Members of the Company	52,661	17,701
Earnings per share		
Basic earnings per share (cents)	1.99	0.56
Diluted earnings per share (cents)	1.81	0.55



# **BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG)** **145 095 478**

## **4. Statement of financial position**

<b>FOR THE YEAR ENDED</b>	<b>31-Oct-15</b>	<b>31-Oct-14</b>
	<b>A\$'000</b>	<b>A\$'000</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	18,319	15,103
Held-to-maturity investments	7,389	17,553
Trade and other receivables	225,824	86,730
Inventories	1,894	1,259
<b>Total current assets</b>	<b>253,426</b>	<b>120,645</b>
<b>Non-current Assets</b>		
Investment in an associate	431	392
Other financial asset	4,434	3,706
Property, plant and equipment	102,359	92,683
Land use rights	98	86
Mine development	190,368	153,730
Intangible assets - goodwill	2,489	2,081
Intangible assets - others	2,235	2,489
<b>Total non-current assets</b>	<b>302,414</b>	<b>255,167</b>
<b>TOTAL ASSETS</b>	<b>555,840</b>	<b>375,812</b>



# **BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG)** **145 095 478**

	31-Oct-15	31-Oct-14
	A\$'000	A\$'000
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables	150,963	98,116
Amount owing to a related party	641	8,071
Amount owing to an associate	93	227
Borrowings	112,714	59,563
Financial liabilities	23,004	-
Deferred consideration	-	433
Provision for taxation	4,053	3,553
<b>Total current liabilities</b>	<b>291,468</b>	<b>169,963</b>
<b>Non-current Liabilities</b>		
Provision for restoration costs	1,775	1,392
Borrowings	5,329	-
Deferred tax liabilities	2,588	2,438
<b>Total non-current liabilities</b>	<b>9,692</b>	<b>3,830</b>
<b>TOTAL LIABILITIES</b>	<b>301,160</b>	<b>173,793</b>
<b>NET ASSETS</b>	<b>254,680</b>	<b>202,019</b>
<b>Equity</b>		
Share capital	65,363	65,363
Retained earnings	153,432	136,250
Merger deficit reserve	(28,186)	(28,186)
Statutory reserve	3,841	3,332
Foreign currency translation reserve	60,141	25,171
Options reserve	89	89
<b>TOTAL EQUITY</b>	<b>254,680</b>	<b>202,019</b>



## BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG) 145 095 478

### 5. Statement of cash flow

FOR THE YEAR ENDED	31-Oct-15	31-Oct-14
	A\$'000	A\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	18,667	6,767
<u>Adjustment for:-</u>		
Allowance for impairment loss on other receivables	191	105
Amortisation of land use rights	4	3
Amortisation of mine development	4,454	3,445
Amortisation of intangible assets	710	600
Depreciation of property, plant and equipment	11,456	10,035
Impairment of property, plant and equipment	-	6,457
Impairment of mine development	-	14,998
Inventories written down	129	417
Interest expense on convertible bond	2,998	-
Interest expense	7,411	6,415
Loss (gain) on disposal of property, plant and equipment	(4)	114
Share of loss (profit) in an associate	(39)	18
Interest income	(585)	(1,725)
Unrealised gain on foreign exchange	(10,109)	(3)
Reversal of impairment loss on other receivables	(90)	(60)
Operating profit before working capital changes	35,193	47,586
Decrease/(Increase) in inventories	(764)	544
Decrease/(Increase) in receivables	(139,166)	11,467
Increase/(Decrease) in payables	52,847	(23,537)
Cash from operations	(51,890)	36,060
Interest paid	(5,984)	(5,496)
Income tax paid	(1,479)	(1,611)
<b>NET CASH (USED IN)/FROM OPERATING ACTIVITIES</b>	<b>(59,353)</b>	<b>28,953</b>
 BALANCE CARRIED FORWARD	 (59,353)	 28,953



# BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG)

## 145 095 478

	31-Oct-15	31-Oct-14
	A\$'000	A\$'000
BALANCE BROUGHT FORWARD	(59,353)	28,953
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(3,311)	(19,671)
Mine development expenditure	(10,607)	(25,349)
Purchase of held-to-maturity investments	(7,059)	(35,970)
Disposal of held-to-maturity investments	20,063	52,383
Sales proceeds from disposal of property, plant and equipment	8	48
Interest received	585	794
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(321)</b>	<b>(27,765)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of new options	-	89
Proceeds from issuance of convertible bond	18,824	-
Repayment to an associate	(134)	(186)
Net advances from/(repayment to) a related party	(7,570)	1,730
Drawdown of short-term and long-term borrowings	112,772	58,465
Repayment of short-term borrowings	(68,081)	(49,407)
Repayment of deferred consideration	(495)	(18,159)
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>55,316</b>	<b>(7,468)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(4,358)</b>	<b>(6,280)</b>
EFFECT OF FOREIGN EXCHANGE TRANSLATION	7,574	(2,819)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	15,103	24,202
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<b>18,319</b>	<b>15,103</b>

### 6. Dividend payments

No dividends were declared during the period.

### 7. Dividend reinvestment plans

Not applicable.



## BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG) 145 095 478

### 8. Statement of changes in equity

	Share Capital	Retained Earnings	Merger Deficit Reserve	Statutory Reserve	Foreign Currency Translation Reserve	Options Reserve	Total Equity
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
Balance at 31.10.2013	65,363	132,119	(28,186)	2,496	12,437	-	184,229
Total comprehensive income for the financial year	-	4,967	-	-	12,734	-	17,701
Issue of new options during the year	-	-	-	-	-	89	89
Transfer to statutory reserve	-	(836)	-	836	-	-	-
Balance at 31.10.2014	65,363	136,250	(28,186)	3,332	25,171	89	202,019
Total comprehensive income for the financial year	-	17,691	-	-	34,970	-	52,661
Transfer to statutory reserve	-	(509)	-	509	-	-	-
Balance at 31.10.2015	65,363	153,432	(28,186)	3,841	60,141	89	254,680

### 9. Net tangible assets per security

	31 Oct 2015 Cents	31 Oct 2014 Cents
Net tangible assets per ordinary security	23.14	18.04

### 10. Gain or loss of control over entities

NIL.

### 11. Associates and joint ventures

No updates.





## **BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG)** **145 095 478**

### **12. Notes to the financial statements for the year ended 31 October 2015**

#### *a) Basis of preparation*

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 November 2014 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods. However, amendments made to AASB 101 Presentation of Financial Statements require the statement of comprehensive income to show the items of comprehensive income grouped into those that are not permitted to be classified to profit or loss in a future period and those that may have to be reclassified if certain conditions are met. These changes are included in the statement of profit or loss and other comprehensive income.

The accounting policies adopted and methods of computation have been consistently applied in this report as compared to all other periods presented unless otherwise stated. Reference should be made to previous year audited financial report.

This report is based on financial statements which are in the process of being audited.



## BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG) 145 095 478

### b) Interest-bearing borrowings

	31-Oct-15	31-Oct-14
	A\$'000	A\$'000
Current (secured liabilities):-		
Short-term loans	112,714	59,563
Long-term loans	5,329	-
Bills payable	5,321	-
Letters of credit	15,761	58,051
	<u>139,761</u>	<u>117,614</u>

*Note: The short-term and long-term loans are secured by fixed deposits with a licensed bank, pledged shares of certain subsidiaries, mining rights and barges. Corporate guarantee had also been provided by subsidiaries and a third party.*

### c) Share Capital

	31-Oct-15	31-Oct-14
	A\$'000	A\$'000
<b><u>Share Capital</u></b>		
Beginning (888,003,622 fully paid ordinary shares)	65,363	65,363
Issued during the year	-	-
Cancelled during the year	-	-
	<u>65,363</u>	<u>65,363</u>

#### **Options**

Beginning	89	-
Issued during the year	-	89
Cancelled during the year	-	-
	<u>89</u>	<u>89</u>



**BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG)**  
**145 095 478**

**13. Other significant information**

Nil

**14. Foreign entities**

Subsidiaries incorporated in Hong Kong and China are using International Financial Reporting Standards to prepare their report.

**15. Commentary on results for the period**

The company currently owns four thermal coal mines.

Revenue for FY2015 has increased by A\$83.3 million or 24.8% to A\$419.4 million as compared to FY2014. Earnings per share (basic) had also increased from 0.56 cents in FY2014 to 1.99 cents in FY2015 as there was an impairment of non-current assets in FY2014 amounting to A\$21.5 million but there was no impairment adjustment made in FY2015. Total comprehensive income attributable to owners increased from A\$17.7 million in FY2014 to A\$52.7 million in FY2015.

**Signed:** Chi Ho (James) Tong

**Date:** 30 December 2015

Chairman