



connexionz
SMARTER TRANSIT SOLUTIONS

Half Year Report

For the six-month period
ended 30th Sept

20
22

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30th September 2022

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Summary of the half year

For the Six Months ended 30th September 2022

	<p>Revenue</p> <p>3,615,028</p>	<p>Company revenue for the six months to 30th September 2022 was \$3,615,028 showing an increase of 1% compared to the corresponding six-month period in 2021 of \$3,590,952</p>
<p>The profit before tax for the six months to 30th September 2022 was \$103,723, which compares with a profit before tax of \$379,904 in the corresponding six-month period in 2021, a decrease of -73%.</p>		<p>Profit</p> <p>\$103,723</p>
<p>2023</p>		<p>The outlook for the end of Financial Year 2023 remains positive due to projects forecasted to be completed during the remaining two quarters of the year.</p>
<p>Post-COVID-19 supply chain issues and inflation particularly in electronic components, wages and salaries for technical employees continue to create headwinds for Connexionz.</p>		
	<p>On the other hand, the US Federal Government has locked in for a period of five years, increases of more than 30% in public transport infrastructure funding over pre-COVID-19 levels.</p>	<p>>30%</p>
<p>Tony Kan Executive Chair</p>		

Statement of profit or loss & other comprehensive income

(Unaudited)

For the Six Months ended 30th September 2022

	Six Months to 30 Sept. 2022 (Unaudited)	Six Months to 30 Sept. 2021 (Unaudited)
	\$	\$
Revenue	3,615,028	3,590,952
Other Gains & (Losses)	244,410	50,991
Raw Materials and Consumables Used	(1,105,408)	(1,102,037)
Depreciation and Amortisation Expenses	(160,641)	(170,992)
Employee Benefits Expense	(1,849,730)	(1,404,195)
Finance Costs	(2,751)	(5,455)
Consulting Expense	(52,265)	(94,508)
Other Expenses	(584,919)	(484,853)
Profit/(Loss) Before Tax	103,723	379,904
Income Tax (Expense)/Benefit	(32,282)	(107,375)
Deferred Tax Asset Reinstated and Recognised	32,282	107,375
Profit from Operations	103,723	379,904
PROFIT/(LOSS) FOR THE PERIOD	103,723	379,904
Other Comprehensive Income	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	103,723	379,904
Total Profit or Loss Attributable to:		
Owners of the Company	103,723	379,904
Earnings per Share		
Basic (cents per share)	0.19	0.70
Diluted (cents per share)	0.18	0.65



Statement of financial position

(Unaudited)

As at 30th September 2022

	30 Sept. 2022 (Unaudited)	31 March 2022	30 Sept. 2021 (Unaudited)
	\$	\$	\$
Assets			
<i>Current Assets</i>			
Cash and Cash Equivalents	1,071,092	868,535	861,668
GST and Sales Tax Payable	44,879	45,238	-
Inventories	344,043	365,290	455,666
Work In Progress	452,707	314,871	345,656
Trade and Other Receivables	1,200,117	383,886	895,446
Contract Asset (Accrued Income and Retentions)	303,323	800,441	218,718
Bid Bond	-	65,383	-
Prepayments	367,753	94,740	100,253
Total Current Assets	3,783,913	2,938,384	2,877,407
<i>Non-Current Assets</i>			
Deferred Taxation	-	-	-
Property, Plant and Equipment	38,002	51,355	52,576
Right of Use Assets (Property Lease)	37,455	88,690	139,301
Intangible Assets	298,630	393,916	506,328
Total Non-Current Assets	374,086	533,961	698,205
Total Assets	4,158,000	3,472,345	3,575,612
Equity and Liabilities			
<i>Current Liabilities</i>			
Employee Benefits	214,296	192,350	181,909
GST and Sales Taxes Payable	16,704	15,268	5,367
Contract Liability (Revenue in Advance)	1,499,553	1,003,021	1,517,769
Lease Liability	42,001	101,124	66,251
Trade and Other Payables	767,698	624,269	264,263
Total Current Liabilities	2,540,252	1,936,033	2,035,559
<i>Non-Current Liabilities</i>			
Lease Liability	8,753	8,117	95,109
Contract Liability (Income in Advance)	284,594	284,594	394,291
Total Non-Current Liabilities	293,347	292,712	489,400
Total Liabilities	2,833,599	2,228,744	2,524,959
<i>Equity</i>			
Share Capital	5,354,385	5,354,385	5,354,385
Accumulated Loss	(4,029,985)	(4,110,784)	(4,303,732)
Total Equity	1,324,400	1,243,600	1,050,653
Total Equity and Liabilities	4,158,000	3,472,345	3,575,612



Statement of changes in equity

(Unaudited)

For the Six Months ended 30th September 2022

Company	Share Capital	Accumulated Loss	Total
	\$	\$	\$
Balance at 1st April 2021	5,354,385	(4,660,713)	693,672
Profit (Loss) for the Period	-	379,904	379,904
Other Comprehensive Income for the Period	-	-	-
<i>Total Comprehensive Income for the Period</i>	-	379,904	379,904
<i>Transactions with Owners in their Capacity as Owners</i>			
Payment of Preference Share Dividends	-	(22,923)	(22,923)
Balance at 30th September 2021	5,354,385	(4,303,732)	1,050,653
Profit (Loss) for the Period	-	215,745	215,745
Other Comprehensive Income for the Period	-	-	-
<i>Total Comprehensive Income for the Period</i>	-	215,745	215,745
<i>Transactions with Owners in their Capacity as Owners</i>			
Payment of Preference Share Dividends	-	(22,797)	(22,797)
Balance at 31st March 2022	5,354,385	(4,110,785)	1,243,600
Profit (Loss) for the Period	-	103,723	103,723
Other Comprehensive Income for the Period	-	-	-
<i>Total Comprehensive Income for the Period</i>	-	103,723	103,723
<i>Transactions with Owners in their Capacity as Owners</i>			
Payment of Preference Share Dividends	-	(22,923)	(22,923)
Balance at 30th September 2022	5,354,385	(4,029,985)	1,324,400



Statement of cash flows

(Unaudited)

For the Six Months ended 30th September 2022

	Six Months to 30 Sept. 2022 (Unaudited) \$	Six Months to 30 Sept. 2021 (Unaudited) \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	5,105,221	4,619,933
Interest Received	40	1
Payments to Suppliers and Employees	(4,820,471)	(4,396,273)
Interest and Other Finance Costs Paid	(2,751)	(5,455)
Income Tax Paid	-	-
Net Cash (used in)/ Provided by Operating Activities	282,039	218,206
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	(14,422)	(26,947)
Purchase of Intangible Assets		(36,228)
Proceeds from Disposal of Assets	16,350	-
Net Cash Used in Investing Activities	1,928	(63,175)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Loans	-	(29,800)
Repayment of Lease Liability	(58,488)	(11,981)
Dividends Paid to Preference Share Holders	(22,923)	(22,923)
Net Cash Provided by/ (Used in) Financing Activities	(81,410)	(64,704)
Net Increase (Decrease) in Cash and Cash Equivalents	202,557	90,327
Cash and Cash Equivalents as at Beginning of Period	868,535	771,341
Cash and Cash Equivalents as at End of Period	1,071,092	861,668



Notes to the financial Statements

For the Six Months ended 30th September 2022

1. Accounting Policies

Reporting Entity

Connexionz Limited (“the Company”) is a profit-oriented entity incorporated and domiciled in New Zealand, registered under the Companies Act 1993.

The Company is an FMCA Reporting Entity under the Financial Markets Conduct Act 2013.

Basis of preparation

The unaudited interim financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (“NZ GAAP”). They comply with the New Zealand Equivalent to International Reporting Standards (NZ IFRS). The financial statements comply with International Financial Reporting Standards. The financial statements have been prepared in accordance with the Financial Reporting Act of 2013.

The financial statements for the six months ended 30th September 2022 are unaudited.

These financial statements have been prepared under the same accounting policies and method of computation as the Company’s Annual Report as at 31st March 2022 and should be read in conjunction with the financial statements and related notes included in the Company’s Annual Report for the year ended 31st March 2022.

The financial statements were approved by the Board of Directors on 24th November 2022. The information is presented in New Zealand dollars.

2. Seasonality or Cyclical

Seasonality or cyclical had no significant impact on the interim results.

3. Unusual Transactions Due to Nature, Size or Incidence That Affects Accounts

There were no unusual transactions due to nature, size or incidence that affected the



interim results.

4. Changes in Estimates or Amounts Reported in Prior Periods

There have been no changes in estimates or amounts reported in prior years that would have a material effect on the amounts reported in the current interim period.

5. Net Cash Flows from Operating Activities

	Six Months to 30 Sept. 2022 (Unaudited) \$	Six Months to 30 Sept. 2021 (Unaudited) \$
Reconciliation of Profit/(Loss) For the Period to Net Cash Flows from Operating Activities:		
Profit (Loss) After Tax for the Period	103,723	379,904
Adjustment for Non-Cash Items:		
Depreciation of Property, Plant and Equipment	65,354	75,791
Amortisation of Other Intangible Assets	95,286	95,199
Right of Use Asset	(2,695)	(26,155)
Recognition of Income Tax Benefit of Deferred Tax Asset from Accumulated Losses	-	-
Changes in Net Assets and Liabilities:		
Decrease/ (Increase) In Assets:		
Trade and Other Receivables (Current)	(750,848)	(386,791)
Inventories	(116,589)	(96,007)
Accrued Income and Retentions	497,118	(152,989)
Tax Refunds Due	(44,879)	-
Prepayments	(227,775)	27,842
Increase/(Decrease) In Liabilities:		
Trade and Other Payables	659,613	(657,943)
Revenue Received in Advance	(18,216)	1,033,967
Employee Entitlements	21,946	(74,614)
Net Cash Inflow /(Outflow) From Operating Activities	282,039	218,206

6. Dividends Paid

A dividend on preference shares at the rate of 12% per share amounting to a total dividend of \$22,923 was paid on 31st August 2022. No dividends were paid on ordinary shares during the period.



7. Material Events Subsequent to the Interim Period

No significant events have occurred subsequent to the reporting date.

8. Changes in Contingent Assets, Liabilities Since Last Annual Balance Date

No changes in contingent assets or contingent liabilities have occurred since the last balance date.

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