

# **Ascension Capital Limited**

## **Condensed Interim Financial Statements**

**For the six months ended 30 September 2023**

Ascension Capital Limited

## **Condensed Interim Financial Statements**

For the six months ended 30 September 2023

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## Letter from the Chair

For the six months ended 30 September 2023

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28 November 2023

Dear Shareholders

The financial result of the Company for the six months ended 30 September 2023 is a loss after taxation of NZ\$86,370, largely made up of directors' fees, NZX listing costs and legal and accounting costs. This is a net increase in costs of \$2,984 compared to the 1st half of the previous year.

The operating cashflow requirements of \$61,595 for the half year period were financed through an issue of 2,350,000 new ordinary fully paid shares in April 2023 at an issue price of \$0.029 per share, to a number of wholesale investors.

The agreement with the directors to continue to forego the payment of directors' fees until such time as the Company has sufficient funds to make such payments, continues.

There were no changes in the board of directors during the period.

Sean Joyce, a director of the Company, through one of his investment vehicles, continues to provide financial support to the Company to ensure that the Company is able to meet its cash flow requirements.

The Board is actively looking to identify a suitable business opportunity to invest in and/or acquire through a reverse takeover transaction (RTO). Discussions have been had with several potential acquisition parties, but none of those discussions have developed into a tangible transaction to date.

An RTO is a transaction structured such that the Company would acquire 100% of the business assets, or the shares in the company that owns the business assets, in consideration for the payment of cash and/or the issue of new shares in the Company, to the vendors, to fund the acquisition.

The new business acquired would then effectively become a subsidiary of the Company (the listed company), trading on the NZX Main Board. The stakeholders in the business acquired, would ultimately become shareholders in the Company as part of the RTO, and would have representation at the Board level as appropriate.

In conjunction with the RTO process, the Company would seek to raise additional growth capital to assist in funding the future growth of the business.

The Board is focusing on business opportunities that satisfy one or more of the following investment criteria:

- The business has excellent personnel and management.
- The business operates in an attractive and positive business sector.
- The business has a robust business model.
- The business has solid historical earnings, or alternatively has a sound business platform from which to implement its business plan and generate strong earnings in the future.
- The business owns proprietary intellectual property.
- The business has potential to grow organically, via acquisition, or through the further investment in capital plant.
- The business has the potential to scale internationally.
- The business would benefit from being able to raise additional capital on the market.
- Is likely to generate superior returns for the Company and its existing shareholders.

Ascension Capital Limited

## **Letter from the Chair**

For the six months ended 30 September 2023

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The Board continues to investigate all credible investment opportunities that may present themselves and are hopeful of having a transaction underway during the course of the current financial year.

We thank you for your continued patience and support and we look forward to providing you with an RTO transaction proposal to consider in the near future.

Yours sincerely

A handwritten signature in black ink that reads "K. Jackson". The signature is written in a cursive style with a large, sweeping initial "K".

Keith Jackson

Chair

**Statement of Profit or Loss and Other Comprehensive Income**

For the six months ended 30 September 2023

	Note	6 mths ended 30 Sep 2023 (unaudited) NZ\$	6 mths ended 30 Sep 2022 (unaudited) NZ\$
Interest income		411	137
<b>Total operating income</b>		<b>411</b>	<b>137</b>
Operating expenses	3	(84,406)	(81,627)
Finance costs		(2,375)	(1,896)
<b>Operating loss before tax</b>		<b>(86,370)</b>	<b>(83,386)</b>
Tax expense		-	-
<b>Net loss for the period</b>		<b>(86,370)</b>	<b>(83,386)</b>
<b>Other comprehensive income</b>			
Other comprehensive income for the period, net of tax		-	-
<b>Total comprehensive loss attributable to shareholders</b>		<b>(86,370)</b>	<b>(83,386)</b>
<b>Earnings/(loss) per share from continuing operations:</b>			
- basic and diluted loss per share (NZ\$)	5	(0.00406)	(0.00435)

These interim financial statements have not been audited, nor reviewed by the auditor. The accompanying notes form part of these interim financial statements and should be read in conjunction with them.

**Statement of Changes in Equity**

For the six months ended 30 September 2023

	Note	Share capital NZ\$	Accumulated losses NZ\$	Total equity NZ\$
<b>Balance at 1 April 2022 (audited)</b>		16,071,545	(16,706,758)	(635,213)
<b>Total comprehensive income</b>				
Net loss attributable to shareholders		-	(83,386)	(83,386)
<b>Balance at 30 September 2022 (unaudited)</b>		<b>16,071,545</b>	<b>(16,790,144)</b>	<b>(718,599)</b>
<b>Balance at 1 April 2023 (audited)</b>		16,071,545	(16,867,266)	(795,721)
<b>Transactions with owners</b>				
Ordinary shares issued	8	68,150	-	68,150
Less costs of share issue	8	(4,578)	-	(4,578)
		63,572	-	63,572
<b>Total comprehensive income</b>				
Net loss attributable to shareholders		-	(86,370)	(86,370)
<b>Balance at 30 September 2023 (unaudited)</b>		<b>16,135,117</b>	<b>(16,953,636)</b>	<b>(818,519)</b>


These interim financial statements have not been audited, nor reviewed by the auditor. The accompanying notes form part of these interim financial statements and should be read in conjunction with them.

**Statement of Financial Position**


As at 30 September 2023

	Note	30 Sep 2023 (unaudited) NZ\$	31 Mar 2023 (audited) NZ\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,530	550
Other current assets		13,757	4,726
Taxation receivable		82	81
Term deposit - NZX bond		21,519	21,111
<b>Total current assets</b>		<b>37,888</b>	<b>26,468</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		64,392	72,548
Payables to directors		309,999	270,000
Related party advances (unsecured)	6	482,016	479,641
<b>Total current liabilities</b>		<b>856,407</b>	<b>822,189</b>
<b>Net assets (liabilities)</b>		<b>(818,519)</b>	<b>(795,721)</b>
<b>EQUITY</b>			
Share capital	8	16,135,117	16,071,545
Accumulated losses		(16,953,636)	(16,867,266)
<b>Total equity</b>		<b>(818,519)</b>	<b>(795,721)</b>

For and on behalf of the Board:



Director



Director

Dated: 28 November 2023

These interim financial statements have not been audited, nor reviewed by the auditor. The accompanying notes form part of these interim financial statements and should be read in conjunction with them.

**Statement of Cash Flows**

For the six months ended 30 September 2023

		<b>6 mths ended 30 Sep 2023 (unaudited) NZ\$</b>	<b>6 mths ended 30 Sep 2022 (unaudited) NZ\$</b>
	<b>Note</b>		
<b>Cash flows from operating activities</b>			
Payments to suppliers		(61,386)	(59,050)
Income tax refunded (paid)		(209)	-
<b>Net cash used in operating activities</b>	<b>7</b>	<b>(61,595)</b>	<b>(59,050)</b>
<b>Cash flows from investing activities</b>			
Interest received		3	-
<b>Net cash flows from investing activities</b>		<b>3</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Borrowings from related party		-	60,000
Cash proceeds from issue of shares	8	63,572	-
<b>Net cash flows from financing activities</b>		<b>63,572</b>	<b>60,000</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,980</b>	<b>950</b>
Cash and cash equivalents at the beginning of the period		550	4,080
<b>Cash and cash equivalents at the end of the period</b>		<b>2,530</b>	<b>5,030</b>

These interim financial statements have not been audited, nor reviewed by the auditor. The accompanying notes form part of these interim financial statements and should be read in conjunction with them.



## Condensed Notes to the Interim Financial Statements

For the six months ended 30 September 2023

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### 1. General information

These unaudited condensed interim financial statements are for Ascension Capital Limited (“Ascension” or “the Company”).

Ascension is a limited liability company incorporated and domiciled in New Zealand. Its registered office is at c/- Duncan Cotterill Lawyers, Level 5, Tower Building, 50 Customhouse Quay, Wellington.

The Company is currently non trading and is focused on identifying a suitable business opportunity to invest in and/or acquire through a reverse take-over transaction. There are no seasonal or cyclical influences on these interim results.

### 2. Summary of Significant Accounting Policies

#### 2.1. Basis of preparation

These unaudited condensed interim financial statements have been prepared in accordance New Zealand Generally Accepted Accounting Practice (“NZ GAAP”), with New Zealand Equivalent to International Accounting Standard 34: Interim Financial Reporting (“NZ IAS 34”) and with International Accounting Standard 34: Interim Financial Reporting (“IAS 34”).

Ascension is a company registered under the Companies Act 1993 and is an FMC reporting entity under the Financial Markets Conduct Act 2013. The Company is listed on the NZX Market. These interim financial statements have been prepared in accordance with the requirements of the Financial Markets Conduct Act 2013 and the NZX Main Board Listing Rules.

The condensed interim financial statements do not include all of the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the financial statements included in the annual report for the year ended 31 March 2023 which have been prepared in accordance with New Zealand equivalents to International Financial Reporting Standards (“NZ IFRS”) and International Financial Reporting Standards (“IFRS”).

The condensed interim financial statements are presented in New Zealand dollars which is the Company’s functional and presentation currency, rounded to the nearest dollar.

The condensed interim financial statements are unaudited. The comparative information as at 31 March 2023 is audited.

#### 2.2. Going concern

The Company incurred a net loss of \$86,370 for the six months ended 30 September 2023 (six months ended 30 September 2022: net loss \$83,386) and generated negative operating cash flows of \$61,595 (six months ended 30 September 2022: \$59,050 negative). As at 30 September 2023 the Company has reported net liabilities of \$818,519 (31 March 2023: \$795,721 net liabilities).

The considered view of the Board of Directors is that, after making enquiries, there is a reasonable expectation that the Company will have access to adequate resources and commitments from its creditors, that will enable it to meet its financial obligations for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the interim financial statements for the 6 months ended 30 September 2023.

The Company has a Loan Facility Agreement and Working Capital Loan Agreement with Excalibur Capital Partners Limited (“Excalibur”) (refer note 6.1). Excalibur is a substantial shareholder in Ascension and is controlled by S Joyce (a non-executive director of Ascension). As at 30 September 2023 the total liability payable to Excalibur is \$482,016 (31 March 2023: \$479,641) and is shown as related party advances in the Statement of Financial Position.

The Loan Facility Agreement is repayable on demand however, Excalibur has agreed to not make demand unless and until the Company is in a position to repay the advance and pay its creditors as they fall due. Excalibur has also confirmed that it anticipates most, if not all, of the \$379,910 due from the

## Condensed Notes to the Interim Financial Statements

For the six months ended 30 September 2023

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Company to Excalibur under this facility, may ultimately be converted into ordinary shares in Ascension in the event of a reverse takeover transaction proceeding.

The Working Capital Loan Agreement with Excalibur provides a funding line of \$95,000. At 30 September 2023 the Company had fully utilised this facility. The funds advanced under this loan agreement accrue interest at a rate of 5% per annum. The loan becomes repayable when the Company completes a reverse takeover transaction and is repayable either in new shares issued at the same price as the shares issued for the reverse takeover transaction, or in cash, at the discretion of Excalibur.

As at 30 September 2023 the Company had \$2,530 in cash and cash equivalents to settle trade payables of \$5,924 and accruals of \$58,468. Of the \$58,468, \$45,000 relates to former director fees payable that have been confirmed will not be called upon unless the Company has the means to pay the balance due.

Aside from the \$21,519 term deposit that earns interest, the Company has no income earning assets from which to derive revenue that may enable the Company to settle its obligations unless it is able to obtain cash through the sale of further equity or a new business transaction.

The directors have agreed to forego payment of directors' fees until such time as the Company has sufficient funds to make such payments.

S Joyce has confirmed that he is willing and able to provide all reasonable financial support to the Company to ensure that Ascension meets its obligations under the solvency test at section 4 of the Companies Act 1993 for at least 12 months from the date the interim financial statements are approved.

On 20 October 2023 the Company received a further advance of \$4,000 on the working capital loan from Excalibur. This loan is under the same interest terms as previous working capital loan advances, with an interest rate of 5% per annum (refer note 6.1). The advance will be utilised to fund the ongoing working capital requirements of the Company while it continues to undertake investigations to find a suitable business initiative to acquire via a reverse takeover transaction.

The Board of Directors acknowledge that there are material uncertainties with respect to the going concern assumption. The focus of the Board going forward is to identify a suitable business opportunity to invest in and/or acquire through a reverse takeover transaction. In the event that the cash received from the loan advance noted above, is not sufficient to fund the operating expenses, or the Company is unable to identify a suitable business opportunity to invest in and/or acquire, this would give rise to a material uncertainty in relation to the Company's ability to continue as a going concern. If the going concern assumption is not valid, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. The interim financial statements do not include any adjustments that may need to be made should the Company no longer continue to be a going concern.

### 2.3. Accounting policies

The condensed interim financial statements have been prepared using the same accounting policies and methods of computation detailed in the audited financial statements for the year ended 31 March 2023. For details of the accounting policies please refer to the 2023 Annual Report.

**Condensed Notes to the Interim Financial Statements**

For the six months ended 30 September 2023

**3. Operating expenses**

	6 mths ended 30 Sep 2023 (unaudited) NZ\$	6 mths ended 30 Sep 2022 (unaudited) NZ\$
Directors' fees	(40,000)	(40,000)
NZX fees	(8,489)	(8,261)
Legal fees	(2,817)	(1,015)
Audit fees	(14,138)	(11,750)
Other expenses	(18,962)	(20,601)
	<b>(84,406)</b>	<b>(81,627)</b>

**4. Segment reporting**

The Company is organised into one operating segment and one geographical segment in New Zealand.

The operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the Board of Directors.

**5. Earnings per share**

	6 mths ended 30 Sep 2023 (unaudited)	6 mths ended 30 Sep 2022 (unaudited)
<b>Basic &amp; diluted earnings/(loss) per share (NZ\$):</b>		
From continuing operations	(0.00406)	(0.00435)
Total basic & diluted earnings/(loss) per share	<b>(0.00406)</b>	<b>(0.00435)</b>

The profit/(loss) and weighted average number of ordinary shares used in the calculation of earnings/(loss) per share are as follows:

	6 mths ended 30 Sep 2023 NZ\$	6 mths ended 30 Sep 2022 NZ\$
Loss from continuing operations	(86,370)	(83,386)
	<b>(86,370)</b>	<b>(83,386)</b>
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	21,279,323	19,148,881

**Condensed Notes to the Interim Financial Statements**

For the six months ended 30 September 2023

**6. Related parties****6.1. Related party advances**

	NZ\$
<b>Loan facility agreement:</b>	
Balance at 1 April 2022	379,910
Loan advances received	-
<b>Balance at 31 March 2023 (audited)</b>	<b>379,910</b>
Loan advances received	-
<b>Balance at 30 September 2023 (unaudited)</b>	<b>379,910</b>
<b>Working capital loan agreement:</b>	
Balance at 1 April 2022	25,521
Loan advances received	70,000
Interest accrued at 5%	4,210
<b>Balance at 31 March 2023 (audited)</b>	<b>99,731</b>
Loan advances received	-
Interest accrued at 5%	2,375
<b>Balance at 30 September 2023 (unaudited)</b>	<b>102,106</b>
<b>Total related party advances:</b>	
At 31 March 2023	479,641
At 30 September 2023	482,016

The related party advances are repayable to Excalibur Capital Partners Limited ("Excalibur"). Excalibur is a substantial shareholder in Ascension and is controlled by S Joyce (a non-executive director of Ascension).

**Loan Facility Agreement**

The loan facility is repayable on demand however, Excalibur has agreed to not make demand unless and until the Company is in a position to repay the advance and pay its creditors as they fall due. This balance is unsecured. Further, Excalibur has confirmed no interest is due or payable on the balance.

**Working Capital Loan Agreement**

On 10 November 2021 the Company entered into a Working Capital Loan Facility Agreement with Excalibur. The funds advanced under this facility accrue interest at a rate of 5% per annum. The loan becomes repayable when the Company completes a reverse takeover transaction and is repayable either in new shares issued at the same price as the shares issued for the reverse takeover transaction, or in cash, at the discretion of Excalibur. The loan is unsecured.

**Condensed Notes to the Interim Financial Statements**

For the six months ended 30 September 2023

**6.2. Directors' remuneration**

	6 mths ended 30 Sep 2023 (unaudited)	6 mths ended 30 Sep 2022 (unaudited)
	NZ\$	NZ\$
K Jackson	10,000	10,000
J Cilliers	10,000	10,000
R Gower	10,000	10,000
S Joyce	10,000	10,000
	<b>40,000</b>	<b>40,000</b>

**6.3. Payable to directors**

	30 Sep 2023 (unaudited)	31 Mar 2023 (audited)
	NZ\$	NZ\$
<b>Current directors</b>		
K Jackson	90,000	80,000
J Cilliers	90,000	80,000
R Gower	65,000	55,000
S Joyce	65,000	55,000
	<b>310,000</b>	<b>270,000</b>

The amounts payable to directors are payable on demand, however the directors have agreed to forego payment of directors' fees until such time as the Company has sufficient funds to make such payments.

No interest is accruing on the outstanding balances.

**7. Reconciliation of loss after taxation with cash used in operating activities**

	6 mths ended 30 Sep 2023 (unaudited)	6 mths ended 30 Sep 2022 (unaudited)
	NZ\$	NZ\$
<b>Net loss after taxation</b>	<b>(86,370)</b>	<b>(83,386)</b>
<b>Adjusted for:</b>		
Interest income	(411)	(136)
Interest on related party advances	2,375	1,896
<b>Movements in working capital</b>		
(Increase) / decrease in other current assets	(9,031)	(9,050)
(Decrease) / increase in trade payables and other liabilities	31,843	31,626
Decrease / (increase) in taxation receivable	(1)	-
<b>Net cash used in operating activities</b>	<b>(61,595)</b>	<b>(59,050)</b>

## **Condensed Notes to the Interim Financial Statements**

For the six months ended 30 September 2023

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### **8. Share capital**

On 17 April 2023 the Company issued 2,350,000 new fully paid ordinary shares at an issue price of \$0.029 per share, to a number of wholesale investors. The placement raised \$68,150 less share issue costs of \$4,578. The placement increased the total number of ordinary shares on issue to 21,498,828. All issued shares are fully paid ordinary shares and carry one vote per share, carry a right to dividends and a pro rata share of net assets on wind up.

### **9. Contingent liabilities**

There are no contingent liabilities as at 30 September 2023 (31 March 2023: nil).

### **10. Commitments**

There are no commitments as at 30 September 2023 (31 March 2023: nil)

### **11. Events subsequent to interim reporting date**

On 20 October 2023 the Company received a further advance of \$4,000 on the working capital loan from Excalibur. This loan is under the same interest terms as previous working capital loan advances, with an interest rate of 5% per annum (refer note 6.1).

Ascension Capital Limited  
**Company Directory**

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**Company Number:**

1009777

**Incorporated**

21 January 2000

**Directors**

K Jackson (Chair)

J Cilliers

R Gower

S Joyce

**Registered Office**

c/- Duncan Cotterill Lawyers

Level 5, Tower Building

50 Customhouse Quay

Wellington 6143

**Bankers**

ANZ Bank Ltd

23-29 Albert Street

Auckland 1010

**Auditor**

BDO Wellington Audit Ltd

Level 1, Tower Building

50 Customhouse Quay

Wellington 6143

**Share Registry**

Computershare Investor Services Ltd

Level 2, 159 Hurstmere Road

Takapuna

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