

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2025

	2025 (unaudited) NZ\$000	2024 (audited) NZ\$000
Revenue	40,993	40,409
Cost of sales	(31,865)	(32,193)
Gross Profit	9,128	8,216
Other operating income	771	135
Finance income	75	98
Expenses		
Labour related expenses	(7,908)	(3,372)
Depreciation and amortisation expenses	(1,023)	(1,064)
Property expenses	(214)	(183)
Other operating expenses	(4,336)	(1,826)
Profit/(loss) from operations	(3,507)	2,004
Finance expense	(1,468)	(616)
Gain on disposal of subsidiary	806	-
Impairment of goodwill	(6,462)	-
Provision for impairment of term receivable	(1,100)	-
Share of net loss of Tymestack.ai	(125)	-
Impairment of investment in Tymestack.ai	(124)	-
Reverse acquisition share based payment	-	(1,693)
Reverse listing expenses	-	(67)
Loss before income tax	(11,980)	(372)
Income tax (expense)/benefit	463	(697)
Loss for the year after taxation	(11,517)	(1,069)
Other comprehensive income	-	-
Total comprehensive loss for the year	(11,517)	(1,069)
Loss per share		
Basic and diluted loss per share (NZ\$)	(0.1144)	(0.0106)

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Share capital NZ\$000	Share based Payments NZ\$000	Accumulated losses NZ\$000	Total equity NZ\$000
Balance at 1 April 2023	3,944	-	1,653	5,597
Loss for the year	-	-	(1,069)	(1,069)
Total comprehensive income for the year	-	-	(1,069)	(1,069)
<i>Transactions with owners in their capacity as owners</i>				
Dividends declared	-	-	(2,001)	(2,001)
Share buyback	(3,943)	-	(1,370)	(5,313)
Shares issued on reverse acquisition	1,631	-	-	1,631
Shares issued on business acquisition	5,000	-	-	5,000
Balance at 31 March 2024 (audited)	6,632	-	(2,787)	3,845
Balance at 1 April 2024	6,632	-	(2,787)	3,845
Loss for the year	-	-	(11,517)	(11,517)
Total comprehensive income for the year	-	-	(11,517)	(11,517)
<i>Transactions with owners in their capacity as owners</i>				
Shares issued during the period	342	-	-	342
Less: share issue costs	(50)	-	-	(50)
Share options issued	-	392	-	392
Balance at 31 March 2025 (unaudited)	6,924	392	(14,304)	(6,988)

Consolidated Statement of Financial Position

As at 31 March 2025

	2025 (unaudited) NZ\$000	2024 (audited) NZ\$000
Current assets		
Cash and cash equivalents	410	2,215
Receivables and other current assets	4,471	4,055
Inventories	511	1,217
Total current assets	5,392	7,487
Non-current assets		
Term deposit	-	22
Term receivable	900	2,000
Property, plant and equipment	2,645	2,745
Right-of-use assets	5,986	7,926
Goodwill - Being Consultants Limited	-	10,962
Goodwill - other entities	4,114	4,614
Other intangible assets	1,469	1,405
Bond	502	-
Deferred tax asset	567	151
Total non-current assets	16,183	29,825
Total assets	21,575	37,312
Current liabilities		
Trade payables and other current liabilities	5,871	13,089
Taxation payable	12	656
Borrowings	3,811	5,897
Lease liabilities	285	450
Total current liabilities	9,979	20,092
Non-current liabilities		
Borrowings	12,374	1
Student bonds	135	150
Contingent consideration	-	5,600
Lease liabilities	6,075	7,624
Total non-current liabilities	18,584	13,375
Total liabilities	28,563	33,467
Net assets	(6,988)	3,845
Equity		
Share capital	6,924	6,632
Share based payments reserve	392	-
Accumulated losses	(14,304)	(2,787)
Total equity	(6,988)	3,845

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	2025 (unaudited) NZ\$000	2024 (audited) NZ\$000
Cash flows from operating activities		
Receipts from customers	40,647	41,999
Government grants received	410	113
Payments to suppliers and employees	(43,218)	(40,746)
Payment of bond	(502)	-
Income tax (paid)/refunded	(600)	72
Net cash from operating activities	(3,263)	1,438
Cash flows from investing activities		
Interest received	75	98
Proceeds from term deposit	22	-
Payments for property, plant and equipment	(199)	(69)
Receipts from sale of property plant and equipment	22	36
Payments for intangible assets	(76)	(7)
Investment in Tymestack.ai	(249)	-
Payment for acquisition of business	(200)	-
Net cash outflows on disposal of subsidiary	(176)	-
Payments for related party short-term loans	-	(1,864)
Cash received from business acquisition	-	21
Net cash used in investing activities	(781)	(1,785)
Cash flows from financing activities		
Proceeds from borrowings	29,384	8,299
Principal repayment of borrowings	(19,136)	(7,545)
Interest paid on borrowings	(981)	(375)
Principal repayment of lease liabilities	(315)	(420)
Interest paid on lease liabilities	(451)	(144)
Payment of related party payable	(6,554)	-
Proceeds from issue of share capital	342	-
Payment of share issue costs	(50)	-
Dividends paid	-	(734)
Net cash used in financing activities	2,239	(919)
Net increase in cash and cash equivalents	(1,805)	(1,266)
Cash and cash equivalents at the beginning of the year	2,215	3,481
Cash and cash equivalents at the end of the year	410	2,215

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

Reconciliation of profit or loss after taxation with cash flow from operating activities

	2025 (unaudited) NZ\$000	2024 (audited) NZ\$000
Net loss after taxation	(11,517)	(1,069)
Adjustments for:		
Finance income	(75)	(98)
Share base payments	392	1,693
Depreciation on property, plant and equipment	276	246
Depreciation on right of use assets	541	491
Amortisation of intangible assets	208	327
Gain on disposal of subsidiary	(806)	-
Impairment of goodwill	6,462	-
Impairment of term receivable	1,100	-
Share of net loss of Tymestack.ai	125	-
Impairment of investment in Tymestack.ai	124	-
Interest paid on borrowings	630	174
Interest paid on lease liabilities	451	145
Interest paid on related party borrowings	388	298
Movement in deferred tax	(416)	11
Gain on disposal of property plant and equipment	-	(1)
Movements in working capital		
(Increase) / decrease in receivables and other current assets	(416)	1,421
(Increase) / decrease in inventory	706	5,092
(Increase) / decrease in bond	(502)	-
Increase / (decrease) in trade payables and other current liabilities	(7,218)	(1,506)
Increase / (decrease) in student bonds	(15)	70
(Increase) / decrease in tax benefit	(644)	758
Movement in working capital due to disposal of subsidiary	389	-
Movement in other current liabilities related to financing activities	6,554	(6,581)
Movement in working capital due to reverse listing transaction	-	(33)
Net cash received from operating activities	(3,263)	1,438

Changes in Material Accounting Policies

There have been no changes in the accounting policies and methods of computation used in preparing the consolidated financial statements compared to those used in preparing the audited consolidated financial statements for the 12 months ended 31 March 2024, except for the new accounting policies applied that have been detailed below.

Share based payment transactions

The fair value of share options issued to directors, employees and consultants is determined at the grant date and is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the share options that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Group revises its estimate of the number of share options expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share based payments reserve.

Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, an investment in an associate is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

When a group entity transacts with an associate, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group has the intention and ability to continue its operations for the foreseeable future.

The Group incurred an after-tax loss of \$10.2 million in the year 31 March 2025 (2024: \$1.1 million loss). The Group's net cash outflows from operating activities was \$3.3 million (2024: \$1.4 million cash inflow).

At the reporting date the Group had cash of \$0.4 million (2024: \$2.2 million), negative working capital of \$4.6 million (2024: \$12.6 million negative) and net liabilities of \$7.0 million (2024: net assets of \$3.8 million). Liabilities included borrowings of \$16.2 million (2024: \$5.9 million) of which \$3.8 million were current (2024: \$5.9 million) and \$12.4 million were non-current (2024: \$nil).

The net loss for the year included the following one-off items: impairments of assets of \$7.7 million and a gain on disposal of subsidiary of \$806,000.

Subsequent to the reporting date the Company divested its education group, Being Education. The divestment eliminated the education segment's debt of \$3.9 million, significantly strengthening the Group's balance sheet.

Also subsequent to the reporting date the Board decided to shut down its artificial intelligence initiative, Project Treehouse.

The Group's remaining operating businesses, following this divestment of the education group and closure of Project Treehouse, are profitable and are forecast to generate positive cash flows. The Group expects reduced corporate overheads with the reduced size of the remaining operations.

The Group forecasts it will be compliant with all bank covenants during the next 12 months.

The considered view of the Board is that, after making due enquiries and considering relevant factors, there is a reasonable expectation that the Group will have access to adequate resources and commitments from its borrowers, that will enable it to meet its financial obligations for the foreseeable future.

For this reason, the Board considers the adoption of the going concern basis in preparing the consolidated financial statements for the year ended 31 March 2025 to be appropriate. The Board has reached this conclusion having regard to circumstances which it considers likely to affect the Group during the period of at least one year from the date of these consolidated financial statements, and to circumstances which it considers will occur after that date which will affect the validity of the going concern basis

Segment reporting

For the year ended 31 March 2025

Prior to the reverse acquisition on 28 March 2024, the Group provided courier, business mail and logistics services, filing solutions and education services. All of these services were provided in New Zealand. Following acquisitions and renaming on 28 March 2024, the Group embarked on a strategy to provide diversified artificial intelligence ('AI') and advanced technology related services.

All of these services are provided in New Zealand.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group has identified its operating segments based on the internal reports reviewed and used by the Chief Operating Decision Maker ('CODM'), being the Board of Directors, in assessing the Group's performance and in determining the allocation of resources.

	2025 (unaudited)					
	Courier, mail & logistics	Filing solutions	Education services	AI customer solutions	Corporate / unallocated	Total
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Total revenue	35,718	2,104	2,945	226	-	40,993
Operating EBITDA	3,764	944	48	(600)	(6,840)	(2,684)
Finance income	1	-	2	-	72	75
Finance costs	(56)	-	(436)	(14)	(962)	(1,468)
Depreciation and amortisation	(127)	(83)	(477)	(1)	(335)	(1,023)
Gain on disposal of subsidiary	-	-	-	696	110	806
Impairment of goodwill	-	(500)	-	(5,962)	-	(6,462)
Provision for impairment of term receivable	-	-	-	-	(1,100)	(1,100)
Impairment of investment in Tymestack.ai	-	-	-	(124)	-	(124)
Net profit/(loss) before taxation	3,582	361	(863)	(6,005)	(9,055)	(11,980)
Income tax benefit	146	9	(61)	-	369	463
Net profit/(loss) for the year	3,728	370	(924)	(6,005)	(8,686)	(11,517)

	2024 (audited)					
	Courier, mail & logistics	Filing solutions	Education services	AI customer solutions	Corporate / unallocated	Total
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Total revenue	36,160	2,123	2,126	-	-	40,409
Operating EBITDA	3,704	789	(158)	-	(1,365)	2,970
Finance income	5	-	-	-	93	98
Finance costs	(39)	(2)	(248)	-	(327)	(616)
Depreciation and amortisation	(146)	(194)	(400)	-	(324)	(1,064)
Reverse acquisition - share based payment	-	-	-	-	(1,693)	(1,693)
Reverse listing expenses	-	-	-	-	(67)	(67)
Net profit/(loss) before taxation	3,524	593	(806)	-	(3,683)	(372)
Income tax expense	(889)	124	125	-	(57)	(697)
Net profit/(loss) for the year	2,635	717	(681)	-	(3,740)	(1,069)

Segment reporting

For the year ended 31 March 2025

	2025 (unaudited)					
	Courier, mail & logistics	Filing solutions	Education services	AI customer solutions	Corporate / unallocated	Total
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Segment assets	7,646	(470)	4,393	80	9,926	21,575
Segment liabilities	(3,886)	(172)	(5,931)	-	(18,574)	(28,563)

	2024 (audited)					
	Mail & courier	Filing solutions	Education services	AI customer solutions	Corporate / unallocated	Total
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Segment assets	7,793	2,228	12,052	10,883	4,356	37,312
Segment liabilities	(7,307)	(3,445)	(12,665)	(5,883)	(4,167)	(33,467)