

# **Ascension Capital Limited**

## Annual Report

For the year ended 31 March 2022

# Annual Report

For the year ended 31 March 2022

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## Letter from the Chair

For the year ended 31 March 2022

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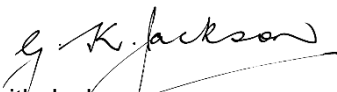
23 May 2022

During the course of the year:

- the Company completed a 100 to 1 share consolidation in November 2021. As result of the consolidation, and after taking account of rounding of entitlements, the number of shares on issue in Ascension reduced from 1,914,888,105 to 19,148,828.
- there were no changes in the board of directors.

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. Currently, there are no initiatives being investigated, but the Company will provide the market with any updates as to material developments in due course.

The financial result for the Company for the year ended 31 March 2022 is a loss after taxation of NZ\$171,171, which is largely made up of the directors' fees, NZX listing costs, and legal and accounting costs.



Keith Jackson  
Chair

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

For the year ended 31 March 2022

|  | Note | 2022<br>NZ\$     | 2021<br>NZ\$     |
|--|------|------------------|------------------|
| Interest income  |      | 161              | 400              |
| <b>Total operating income</b>                                |      | <b>161</b>       | <b>400</b>       |
| Operating expenses   | 5    | (170,811)        | (150,931)        |
| Finance costs  |      | (521)            | -                |
| <b>Operating loss before tax</b>                             |      | <b>(171,171)</b> | <b>(150,531)</b> |
| Tax expense  | 7    | -                | -                |
| <b>Net loss for the year</b>                                 |      | <b>(171,171)</b> | <b>(150,531)</b> |
| <b>Other comprehensive income</b>                            |      |                  |                  |
| Other comprehensive income for the year, net of tax          |      | -                | -                |
| <b>Total comprehensive loss attributable to shareholders</b> |      | <b>(171,171)</b> | <b>(150,531)</b> |
| <b>Earnings/(loss) per share from continuing operations:</b> |      |                  |                  |
| - basic and diluted earnings/(loss) per share (NZ\$)         | 8    | (0.00894)        | (0.00918)        |

The accompanying notes form part of these financial statements and should be read in conjunction with them.

**Statement of Changes in Equity**

For the year ended 31 March 2022

|  | Note | Share<br>capital<br>NZ\$ | Accumulated<br>losses<br>NZ\$ | Total<br>equity<br>NZ\$ |
|--|------|--------------------------|-------------------------------|-------------------------|
| <b>Balance at 1 April 2020</b>               |      | 15,926,000               | (16,385,056)                  | (459,056)               |
| Net loss attributable to shareholders        |      | -                        | (150,531)                     | (150,531)               |
| <b>Total comprehensive loss for the year</b> |      | -                        | <b>(150,531)</b>              | <b>(150,531)</b>        |
| Issue of ordinary shares                     | 13   | 145,545                  | -                             | 145,545                 |
| <b>Balance at 31 March 2021</b>              |      | <b>16,071,545</b>        | <b>(16,535,587)</b>           | <b>(464,042)</b>        |
| <b>Balance at 1 April 2021</b>               |      | 16,071,545               | (16,535,587)                  | (464,042)               |
| Net loss attributable to shareholders        |      | -                        | (171,171)                     | (171,171)               |
| <b>Total comprehensive loss for the year</b> |      | -                        | <b>(171,171)</b>              | <b>(171,171)</b>        |
| <b>Balance at 31 March 2022</b>              | 13   | <b>16,071,545</b>        | <b>(16,706,758)</b>           | <b>(635,213)</b>        |

The accompanying notes form part of these financial statements and should be read in conjunction with them.

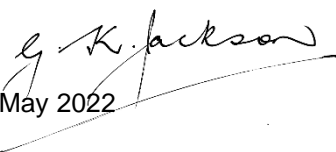
**Statement of Financial Position**

As at 31 March 2022

|                                    | Note | 2022<br>NZ\$     | 2021<br>NZ\$     |
|------------------------------------|------|------------------|------------------|
| <b>ASSETS</b>                      |      |                  |                  |
| <b>Current assets</b>              |      |                  |                  |
| Cash and cash equivalents          | 9    | 4,080            | 49,085           |
| Other current assets               | 10   | 4,371            | 4,842            |
| Taxation receivable                | 7    | -                | 70               |
| Term deposit - NZX bond            | 11   | 20,730           | 20,569           |
| <b>Total current assets</b>        |      | <b>29,181</b>    | <b>74,566</b>    |
| <b>LIABILITIES</b>                 |      |                  |                  |
| <b>Current liabilities</b>         |      |                  |                  |
| Trade and other payables           | 12   | 68,963           | 68,698           |
| Payable to directors               | 17.3 | 190,000          | 110,000          |
| Related party advances (unsecured) | 17.1 | 405,431          | 359,910          |
| <b>Total current liabilities</b>   |      | <b>664,394</b>   | <b>538,608</b>   |
| <b>Net assets (liabilities)</b>    |      | <b>(635,213)</b> | <b>(464,042)</b> |
| <b>EQUITY</b>                      |      |                  |                  |
| Share capital                      | 13   | 16,071,545       | 16,071,545       |
| Accumulated losses                 |      | (16,706,758)     | (16,535,587)     |
| <b>Total equity</b>                |      | <b>(635,213)</b> | <b>(464,042)</b> |

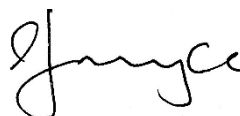
For and on behalf of the Board:

Director



Dated: 23 May 2022

Director



The accompanying notes form part of these financial statements and should be read in conjunction with them.

**Statement of Cash Flows**

For the year ended 31 March 2022

|   | Note | 2022<br>NZ\$    | 2021<br>NZ\$     |
|---|------|-----------------|------------------|
| <b>Cash flows used in operating activities</b>              |      |                 |                  |
| Interest received   |      | -               | 70               |
| Payments to suppliers                                       |      | (90,075)        | (112,415)        |
| Income tax refunded (paid)                                  |      | 70              | 206              |
| <b>Net cash flows used in operating activities</b>          | 16   | <b>(90,005)</b> | <b>(112,139)</b> |
| <b>Cash flows from investing activities</b>                 |      |                 |                  |
|   |      | -               | -                |
| <b>Cash flows from financing activities</b>                 |      |                 |                  |
| Proceeds from issue of share capital                        |      | -               | 145,545          |
| Related party advances received                             | 17.1 | 45,000          | -                |
| <b>Net cash flows from financing activities</b>             |      | <b>45,000</b>   | <b>145,545</b>   |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |      | <b>(45,005)</b> | <b>33,406</b>    |
| Cash and cash equivalents at the beginning of the year      |      | 49,085          | 15,679           |
| <b>Cash and cash equivalents at the end of the year</b>     | 9    | <b>4,080</b>    | <b>49,085</b>    |

The accompanying notes form part of these financial statements and should be read in conjunction with them.

## Notes to the Financial Statements

For the year ended 31 March 2022

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### 1. General information

These financial statements are for Ascension Capital Limited ('Ascension' or 'the Company').

Ascension Capital Limited is a limited liability company incorporated and domiciled in New Zealand. Its registered office is at c/- Duncan Cotterill Lawyers, Level 2, Tower Building, 50 Customhouse Quay, Wellington 6143.

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.

### 2. Basis of preparation

The financial statements have been prepared in accordance New Zealand Generally Accepted Accounting Practice ('NZ GAAP'). The Company is a for-profit entity for the purposes of complying with NZ GAAP. The financial statements comply with New Zealand equivalents to International Financial Reporting Standards ('NZ IFRS') and International Financial Reporting Standards ('IFRS').

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 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 financial statements have been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements are presented in New Zealand dollars which is the Company's functional currency, rounded to the nearest dollar.

#### 2.1. Going concern

The Company incurred a net loss of \$171,171 for the year ended 31 March 2022 (year ended 31 March 2021: net loss of \$150,531) and generated negative operating cash flows of \$90,005 (year ended 31 March 2021: \$112,139 negative). As at 31 March 2022 the Company has reported net liabilities of \$635,213 (31 March 2021: \$464,042 negative).

The considered view of the Board of Directors of the Company 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 annual financial statements for the year ended 31 March 2022.

The Company has a Loan Facility Agreement and Working Capital Loan Agreement with Excalibur Capital Partners Limited ('Excalibur') (refer note 17.1). Excalibur is a substantial shareholder in Ascension and is controlled by S Joyce (a non-executive director of Ascension). As at 31 March 2022 the total liability payable under these agreements is \$405,431 (31 March 2021: \$359,910) 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 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 terms of the loan can be found in note 17.1.

The Working Capital Loan Agreement with Excalibur provides a funding line of \$75,000. At 31 March 2022 the Company had utilised \$25,000 of this facility. On 5 April 2022 the Company received a further \$50,000 from 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



## Notes to the Financial Statements

For the year ended 31 March 2022

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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 31 March 2022 the Company had \$4,080 in cash and cash equivalents to settle trade payables of \$1,964 and accruals of \$67,000. Of the \$67,000, \$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. Additionally, subsequent to year end, the Company drew down the remaining working capital loan agreement and received \$50,000 which will enable them to pay their remaining existing debts as at 31 March 2022.

Aside from the \$20,730 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 financial statements are approved.

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.

The Board of Directors acknowledge that there are material uncertainties with respect to the going concern assumption. In the event that the cash flows from the working capital loan facility are 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 that may cast significant doubt on 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 financial statements do not include any adjustments that may need to be made should the Company no longer continue to be a going concern.

### 3. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented.

#### 3.1. Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### 3.2. Income tax

The income tax expense for the year comprises current and deferred tax. The income tax expense is recognised in the profit and loss component of the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial

## Notes to the Financial Statements

For the year ended 31 March 2022

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recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### 3.3. Goods and services tax

Revenues, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST) except:

- where the amount of GST incurred is not recovered from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables, which are recognised inclusive of GST.

The net amount of GST recoverable or payable to the taxation authority is included as part of receivables or payables.

The Company does not currently produce revenue. The Board is actively investigating opportunities for a business acquisition and expects the Company will generate taxable supplies in the future. The Company is therefore registered for GST.

### 3.4. Foreign currency translation

#### *Transactions and balances*

Transactions in foreign currencies are translated into the functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss.

### 3.5. Statement of cash flows

The following are definitions of the terms used in the Statement of Cash Flows:

- Cash and cash equivalents include cash on hand and deposits held at call with banks with original maturities of three months or less that are readily convertible to known amounts of cash.
- Operating activities are the principal revenue-producing activities of the Company. Also included in this category are other activities that are not investing or financing activities.
- Investing activities are those relating to the acquisition and disposal of long-term assets.
- Financing activities are those activities which result in changes in the size and composition of the contributed equity and borrowings of the Company.

### 3.6. Financial instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to, or deducted from, the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction

## Notes to the Financial Statements

For the year ended 31 March 2022

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costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### 3.7. Financial assets

Financial assets are subsequently measured at amortised cost or fair value on the basis of the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

#### *Financial assets at amortised cost*

The Company holds receivables with the objective to collect the contractual cash flows, the cash flows are solely payments of principal and interest, and therefore measures them subsequently at amortised cost using the effective interest method less any impairment.

The Company's financial assets at amortised cost include cash and cash equivalents, term deposits and trade receivables. Cash and cash equivalents include cash in hand and deposits held on call with banks.

#### *Impairment of financial assets*

The Company recognises a loss allowance for expected credit losses on receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognises lifetime expected credit losses ('ECL') for receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

The Company recognises an impairment loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

The Company writes off a financial asset when there is information indicating that there is no reasonable expectation of recovery. For example, when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

#### *Derecognition of financial assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

## Notes to the Financial Statements

For the year ended 31 March 2022

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### 3.8. Financial liabilities

Financial liabilities are classified as either financial liabilities at 'fair value through profit or loss' ('FVTPL') or 'other financial liabilities'. The Company has no financial liabilities at FVTPL.

#### *Other financial liabilities*

Other financial liabilities (including trade and other payables, payables to directors and related party advances) are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### *Derecognition of financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### 3.9. Share capital

Ordinary shares are classified as equity. Share capital is recognised at the fair value of the consideration received by the Company. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

### 3.10. Earnings per share

#### *Basic earnings per share*

Basic earnings (loss) per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

#### *Diluted earnings per share*

Diluted earnings (loss) per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares.

## 4. Critical accounting estimates and judgements

The preparation of these financial statements in conformity with generally accepted accounting practice requires that the Directors makes estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosures of contingent assets and liabilities as at the date of the financial statements, and the profit and loss amounts during the year. The actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The following are the key judgements that the directors have made in the process of applying the Company's accounting policies:

- application of the Going Concern basis (refer Note 2.1)
- determining the appropriate GST registration for the Company (refer note 3.3)

**Notes to the Financial Statements**

For the year ended 31 March 2022

**5. Operating expenses**

|                                 | <b>2022</b>     | <b>2021</b>     |
|---------------------------------|-----------------|-----------------|
|                                 | <b>NZ\$</b>     | <b>NZ\$</b>     |
| Directors' fees                 | (80,000)        | (70,000)        |
| NZX fees                        | (20,999)        | (23,454)        |
| Legal fees                      | (4,123)         | (13,025)        |
| <b>Fees paid to the auditor</b> |                 |                 |
| For the current year audit      | (22,000)        | (19,224)        |
| For the prior year audit        | (1,890)         | -               |
|                                 | <u>(23,890)</u> | <u>(19,224)</u> |

**6. 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.

**7. Income tax**

|  | <b>2022</b>      | <b>2021</b>      |
|--|------------------|------------------|
|  | <b>NZ\$</b>      | <b>NZ\$</b>      |
| <b>Loss from continuing operations</b> | <u>(171,171)</u> | <u>(150,531)</u> |
| Income tax calculated at 28%           | (47,928)         | (42,149)         |
| Non deductible expenses                | 743              | 1,820            |
| Current tax losses not recognised      | 47,185           | 40,329           |
| <b>Income tax expense</b>              | <u>-</u>         | <u>-</u>         |
| <b>Comprising:</b>                     |                  |                  |
| Current income tax expense             | -                | -                |
| Deferred tax                           | -                | -                |
|  | <u>-</u>         | <u>-</u>         |

**Tax receivable**

|                              | <b>2022</b> | <b>2021</b> |
|------------------------------|-------------|-------------|
|                              | <b>NZ\$</b> | <b>NZ\$</b> |
| Balance at beginning of year | 70          | 276         |
| Current tax                  | -           | -           |
| Tax paid                     | -           | 70          |
| Tax refund received          | (70)        | (276)       |
|                              | <u>-</u>    | <u>70</u>   |

**Notes to the Financial Statements**

For the year ended 31 March 2022

**Deferred tax**

|  | 2022<br>NZ\$   | 2021<br>NZ\$   |
|--|----------------|----------------|
| Tax losses for which no deferred tax asset has been recognised | 622,650        | 449,733        |
| <b>Potential tax benefit @ 28%</b>                             | <b>174,342</b> | <b>125,925</b> |

Utilisation of the tax losses is subject to compliance with income tax legislation on continuity of shareholders and/or business activities and the availability of future taxable income.

At year end the deferred tax benefit of those losses has not been recognised in the Statement of Financial Position.

**Imputation credit account**

|   | 2022<br>NZ\$ | 2021<br>NZ\$ |
|---|--------------|--------------|
| Opening balance   | 70           | -            |
| Taxes paid/(refunds received)   | (70)         | 70           |
| Imputation credits available for use in subsequent periods based on a tax rate of 28% (2021: 28%) | -            | 70           |

**8. Earnings per share**

|  | 2022<br>NZ\$     | 2021<br>NZ\$     |
|--|------------------|------------------|
| <b>Basic &amp; diluted earnings/(loss) per share (NZ\$):</b> |                  |                  |
| From continuing operations                                   | (0.00894)        | (0.00918)        |
| <b>Total basic &amp; diluted earnings/(loss) per share</b>   | <b>(0.00894)</b> | <b>(0.00918)</b> |

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

|   | 2022<br>NZ\$     | 2021<br>NZ\$     |
|---|------------------|------------------|
| Profit/(loss) from continuing operations (NZ\$) | (171,171)        | (150,531)        |
|   | <b>(171,171)</b> | <b>(150,531)</b> |

Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share (post adjustment for 100 to 1 share consolidation)

|            |            |
|------------|------------|
| 19,148,828 | 16,396,185 |
|------------|------------|

On 5 November 2021 the Company undertook a one hundred to one share consolidation. The earnings per share calculation for both the current and comparative periods, reflects the impact of this share consolidation.

**Notes to the Financial Statements**

For the year ended 31 March 2022

At 31 March 2022, there were no financial instruments that carried any shareholder dilution rights that were considered to be dilutive (2021: nil). Accordingly, basic and diluted earnings/(loss) per share are identical for the accounting periods being reported on.

**9. Cash and cash equivalents**

|                        | <b>2022</b>  | <b>2021</b>   |
|------------------------|--------------|---------------|
|                        | <b>NZ\$</b>  | <b>NZ\$</b>   |
| Cash at bank - on call | 4,080        | 49,085        |
|                        | <b>4,080</b> | <b>49,085</b> |

**10. Other current assets**

|                | <b>2022</b>  | <b>2021</b>  |
|----------------|--------------|--------------|
|                | <b>NZ\$</b>  | <b>NZ\$</b>  |
| Prepayments    | 4,100        | 4,100        |
| GST receivable | 271          | 742          |
|                | <b>4,371</b> | <b>4,842</b> |

**11. Term deposit – NZX bond**

The term deposit with ANZ has been placed in favour of the New Zealand Stock Exchange. The term deposit is not highly liquid and does not form part of the day-to-day cash management. The interest rate on the term deposit is 1.6% per annum (2021: 0.80%).

**12. Trade and other payables**

|                | <b>2022</b>   | <b>2021</b>   |
|----------------|---------------|---------------|
|                | <b>NZ\$</b>   | <b>NZ\$</b>   |
| Trade payables | 1,963         | 5,698         |
| Accruals       | 67,000        | 63,000        |
|                | <b>68,963</b> | <b>68,698</b> |

**Notes to the Financial Statements**

For the year ended 31 March 2022

**13. Share capital**

|  | <b>No. of Shares</b> | <b>NZ\$</b>       |
|--|----------------------|-------------------|
| <b>Ordinary shares at 1 April 2020</b>     | 1,332,710,484        | 15,926,000        |
| Ordinary shares issued during the year     | 582,177,621          | 145,545           |
| <b>Ordinary shares as at 31 March 2021</b> | <b>1,914,888,105</b> | <b>16,071,545</b> |
| <br>                                       |                      |                   |
| <b>Ordinary Shares as at 1 April 2021</b>  | 1,914,888,105        | 16,071,545        |
| 100 to 1 share consolidation               | (1,895,739,277)      | -                 |
| <b>Ordinary shares as at 31 March 2022</b> | <b>19,148,828</b>    | <b>16,071,545</b> |

On 5 November 2021 the Company undertook a one hundred to one share consolidation.

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. All ordinary shares have no par value.

**14. Financial instruments**

The Company has entered into a number of non-derivative financial instruments all of which are classified as financial assets and liabilities at amortised cost. The carrying values of these items approximate their fair value. They are listed as follows:

|  | <b>2022</b>    | <b>2021</b>    |
|--|----------------|----------------|
|  | <b>NZ\$</b>    | <b>NZ\$</b>    |
| <b>Financial assets at amortised cost</b>      |                |                |
| Cash and cash equivalents                      | 4,080          | 49,085         |
| Term deposit                                   | 20,730         | 20,569         |
| <b>Total financial assets</b>                  | <b>24,810</b>  | <b>69,654</b>  |
| <br>   |                |                |
| <b>Financial liabilities at amortised cost</b> |                |                |
| Trade payables and other liabilities           | 68,963         | 68,698         |
| Payables to directors                          | 190,000        | 110,000        |
| Related party advances                         | 405,431        | 359,910        |
| <b>Total financial liabilities</b>             | <b>664,394</b> | <b>538,608</b> |

**15. Financial risk management**

The Company is subject to a number of financial risks including market risk (including interest rate risk), liquidity risk and credit risk.

**15.1. Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control the market risk exposures within acceptable parameters, while optimising the return on risk. There is minimal market risk.



**Notes to the Financial Statements**

For the year ended 31 March 2022

**15.2. Interest rate risk**

Interest rate risk is a component of market risk. It is the risk of loss to the Company arising from adverse changes in interest rates. The Company's financing activities are exposed to interest rate risk in respect of its interest earning assets and interest-bearing liabilities. Changes to interest rates can impact the Company's financial results by affecting the interest earned or payable on these assets and liabilities. There is minimal interest rate risk.

**15.3. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises from cash and cash equivalents, deposits with banks and the Company's receivables. The Company's maximum credit risk is represented by the carrying value of these financial assets.

The Company currently has no amounts due from customers.

The credit risk associated with cash transactions and deposits is managed through the Company's policies that limit the use of counterparties to high credit quality financial institutions.

**15.4. Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities as they fall due. The Company has net liabilities of \$635,213. Several creditors who are owed a combined \$640,431, shown as due in 6 to 12 months in the table below, have agreed to support the Company and not demand repayment until the Company has sufficient funds available to pay outstanding balances (refer to note 2.1).

The following table provides a maturity analysis of the Company's remaining contractual cash flows relating to financial liabilities. Contractual cash flows include contractual undiscounted principal and interest payments.

|   | Carrying amount | Contractual cash flows | Payable 0-6 months | Payable 6-12 months | Payable 1-2 years | Payable 2-5 years |
|---|-----------------|------------------------|--------------------|---------------------|-------------------|-------------------|
|   | NZ\$            | NZ\$                   | NZ\$               | NZ\$                | NZ\$              | NZ\$              |
| <b>Non-derivative financial liabilities</b> |                 |                        |                    |                     |                   |                   |
| <b>As at 31 March 2022</b>                  |                 |                        |                    |                     |                   |                   |
| Trade and other payables                    | 68,963          | 68,963                 | 23,963             | 45,000              | -                 | -                 |
| Payable to directors                        | 190,000         | 190,000                | -                  | 190,000             | -                 | -                 |
| Related party advances                      | 405,431         | 405,431                | -                  | 405,431             | -                 | -                 |
|   | <b>664,394</b>  | <b>664,394</b>         | <b>23,963</b>      | <b>640,431</b>      | -                 | -                 |
| <b>As at 31 March 2021</b>                  |                 |                        |                    |                     |                   |                   |
| Trade and other payables                    | 68,698          | 68,698                 | 23,698             | 45,000              | -                 | -                 |
| Payable to directors                        | 110,000         | 110,000                | -                  | 110,000             | -                 | -                 |
| Related party advances                      | 359,910         | 359,910                | -                  | 359,910             | -                 | -                 |
|   | <b>538,608</b>  | <b>538,608</b>         | <b>23,698</b>      | <b>514,910</b>      | -                 | -                 |

**15.5. Capital management**

The Company's objectives when managing capital comprising shareholders' equity are to safeguard its ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors. The Company has negative equity. The capital requirements of the Company will be considered once its future purpose is determined. Refer to note 2.1 for further information.

**Notes to the Financial Statements**

For the year ended 31 March 2022

**16. Reconciliation of loss after taxation with cash flow from operating activities**

|  | <b>2022</b>      | <b>2021</b>      |
|--|------------------|------------------|
|  | <b>NZ\$</b>      | <b>NZ\$</b>      |
| <b>Net loss after taxation</b>                       | <b>(171,171)</b> | <b>(150,531)</b> |
| <b>Adjusted for:</b>                                 |                  |                  |
| Interest on term deposit                             | (161)            | (331)            |
| Interest on related party advances                   | 521              | -                |
| <b>Movements in working capital</b>                  |                  |                  |
| (Increase) / decrease in trade and other receivables | 471              | (742)            |
| (Increase) / decrease in taxation receivable         | 70               | 206              |
| Increase / (decrease) in trade and other payables    | 265              | 29,259           |
| Increase / (decrease) in payables to directors       | 80,000           | 10,000           |
| <b>Net cash outflows from operating activities</b>   | <b>(90,005)</b>  | <b>(112,139)</b> |

**17. Related parties****17.1. Related party advances**

|                                       | <b>2022</b>    | <b>2021</b>    |
|---------------------------------------|----------------|----------------|
|                                       | <b>NZ\$</b>    | <b>NZ\$</b>    |
| <b>Loan facility agreement</b>        |                |                |
| Balance at 1 April                    | 359,910        | 359,910        |
| Loan advances received                | 20,000         | -              |
| Loan repayments                       | -              | -              |
| <b>Balance at 31 March</b>            | <b>379,910</b> | <b>359,910</b> |
| <b>Working capital loan agreement</b> |                |                |
| Balance at 1 April                    | -              | -              |
| Loan advances received                | 25,000         | -              |
| Interest accrued at 5%                | 521            | -              |
| Loan repayments                       | -              | -              |
| <b>Balance at 31 March</b>            | <b>25,521</b>  | <b>-</b>       |
| <b>Total related party advances</b>   | <b>405,431</b> | <b>359,910</b> |

The \$45,000 of Loan Advances were received in cash from Excalibur Capital Limited, while the interest accrued of \$521 is non cash.

**Loan Facility Agreement**

A series of transactions with HuaHan International Holdings (Hong Kong) Co. Limited ('HuaHan') (collectively referred to as the "HuaHan Transactions") took place effective 21 July 2016 after shareholder approval was obtained at a special meeting on 13 July 2016. HuaHan was deemed a related party for the 31 March 2020 year as, at that time, it was a shareholder of the Company.

As part of the HuaHan Transactions approved by shareholders, Ascension entered into an agreement with HuaHan whereby HuaHan would provide the Company with an unsecured Working Capital Facility.

**Notes to the Financial Statements**

For the year ended 31 March 2022

During the year ended 31 March 2021, the Company received notice that HuaHan had assigned its interests in the Loan Facility Agreement 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).

As at 31 March 2022 the total liability payable under this facility is \$379,910 (31 March 2021: \$359,910) and is shown as related party advances in the Statement of Financial Position.

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 transferred from HuaHan.

**Working Capital Loan Agreement**

On 10 November 2021 the Company entered into a Working Capital Loan Facility Agreement with Excalibur for a further funding line of \$75,000. 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. On 10 November 2021 the Company received an initial loan advance of \$25,000 from Excalibur under this loan facility. The facility can be drawn down upon to meet the Company's liabilities as they fall due.

**17.2. Directors' remuneration**

|  | <b>2022</b>   | <b>2021</b>   |
|--|---------------|---------------|
|  | <b>NZ\$</b>   | <b>NZ\$</b>   |
| K Jackson                              | 20,000        | 20,000        |
| J Cilliers                             | 20,000        | 20,000        |
| S Joyce                                | 20,000        | 15,000        |
| R Gower                                | 20,000        | 15,000        |
| <b>Total remuneration of directors</b> | <b>80,000</b> | <b>70,000</b> |

**17.3. Payable to directors**

|                                    | <b>2022</b>    | <b>2021</b>    |
|------------------------------------|----------------|----------------|
|                                    | <b>NZ\$</b>    | <b>NZ\$</b>    |
| <b>Current directors</b>           |                |                |
| K Jackson                          | 60,000         | 40,000         |
| J Cilliers                         | 60,000         | 40,000         |
| S Joyce                            | 35,000         | 15,000         |
| R Gower                            | 35,000         | 15,000         |
|                                    | <b>190,000</b> | <b>110,000</b> |
| <b>Former directors</b>            |                |                |
| J van Wijk - resigned 3 July 2020* | 45,000         | 45,000         |
|                                    | <b>235,000</b> | <b>155,000</b> |

\* The \$45,000 payable to J van Wijk is included in accruals at both the 2022 and 2021 reporting dates as J van Wijk had resigned as a director during the 2021 year.

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.

## **Notes to the Financial Statements**

For the year ended 31 March 2022

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### **17.4. Related party transactions**

There are no related party transactions other than those discussed above in notes 17.1 to 17.3.

### **18. Contingent liabilities**

There are no contingent liabilities at 31 March 2022 (2021: nil).

### **19. Commitments**

There are no commitments at 31 March 2022 (2021: nil).

### **20. Events subsequent to reporting date**

On 5 April 2022 the Company received a further \$50,000 loan advance from Excalibur under the working capital agreement described in note 17.1.

**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF ASCENSION CAPITAL LIMITED**

**Opinion**

We have audited the financial statements of Ascension Capital Limited (“Ascension”), which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Ascension as at 31 March 2022, and its financial performance and its cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards (“NZ IFRS”).

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (“ISAs (NZ)”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the financial Statements* section of our report. We are independent of Ascension in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor, we have no relationship with, or interests in Ascension.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 2.1 to the financial statements, which indicates that Ascension incurred a net loss of \$171,171 for the year ended 31 March 2022 (year ended 31 March 2021: net loss of \$150,531) and generated negative cashflows of \$90,005 (year ended 31 March 2021: \$112,139 negative). Ascension’s current liabilities exceeded its current assets as at 31 March 2022 by \$635,213 (2021: current liabilities exceeded current assets by \$464,042). If the directors are unable to secure further equity from shareholders or a new business transaction, Ascension will be unable to discharge its obligations to third parties. As stated in Note 2.1, these events or conditions, along with other matters as set forth in Note 2.1, indicate that a material uncertainty exists that may cast significant doubt on Ascension’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

**Other Information**

The directors are responsible for the other information. The other information comprises the Letter from the Chair, additional Shareholder Information, Board of Directors, and Corporate Governance Statement.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Directors' Responsibilities for the Financial Statements**

The directors are responsible on behalf of Ascension for the preparation and fair presentation of the financial statements in accordance with NZ IFRS, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible on behalf of Ascension for assessing Ascension's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate Ascension or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-2/>.

This description forms part of our auditor's report.

#### **Who we Report to**

This report is made solely to the Ascension shareholders, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Ascension and the Ascension shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Henry McClintock.



**BDO WELLINGTON AUDIT LIMITED**

Wellington

New Zealand

23 May 2022

**Shareholder Information**

For the year ended 31 March 2022

**Stock exchange listing**

The Company's shares are quoted on the NZX Main Board. As at 13 April 2022, the total number of ordinary shares on issue was 19,148,828.

**Distribution of security holders**

Details of the distribution of ordinary shares amongst shareholders as at 13 April 2022 are set out below.

| Size of Holding | Number of Security Holders |                | Number of Securities |                |
|-----------------|----------------------------|----------------|----------------------|----------------|
|                 | Number                     | %              | Number               | %              |
| 1-999           | 530                        | 68.21%         | 69,553               | 0.36%          |
| 1,000-4,999     | 105                        | 13.52%         | 226,246              | 1.18%          |
| 5,000-9,999     | 36                         | 4.63%          | 228,587              | 1.19%          |
| 10,000-49,999   | 68                         | 8.75%          | 1,266,621            | 6.62%          |
| 50,000-99,999   | 12                         | 1.54%          | 794,034              | 4.15%          |
| 99,999 or more  | 26                         | 3.34%          | 16,563,787           | 86.49%         |
|                 | <u>777</u>                 | <u>100.00%</u> | <u>19,148,828</u>    | <u>100.00%</u> |

**20 largest shareholdings**

The 20 largest shareholdings as at 13 April 2022 are provided in the table below.

| Name   | No. of shares | % of shares |
|--|---------------|-------------|
| Forsyth Barr Custodians Limited                                      | 3,331,781     | 17.40%      |
| Excalibur Capital Partners Limited                                   | 2,336,412     | 12.20%      |
| Trinity Portfolio Limited  | 1,947,227     | 10.17%      |
| Forsyth Barr Custodians Limited                                      | 1,451,440     | 7.58%       |
| Foster Capital NZ Limited  | 890,000       | 4.65%       |
| Ilakolako Investments Limited  | 794,350       | 4.15%       |
| Li Da Yang   | 666,660       | 3.48%       |
| Beconwood Superannuation Pty Limited                                 | 600,000       | 3.13%       |
| Chao Wang  | 533,340       | 2.79%       |
| Belinda Anne Edmond  | 500,000       | 2.61%       |
| Stuart Macintosh   | 431,586       | 2.25%       |
| Andrew Fiori-Dea   | 372,802       | 1.95%       |
| Graeme Keith Jackson & Patricia Frances Jackson & Phillip Mack Picot | 359,407       | 1.88%       |
| Hai Yan Xiang  | 333,495       | 1.74%       |
| Daniel John Reed   | 310,625       | 1.62%       |
| John Edward Connell  | 250,000       | 1.31%       |
| Anthony Theodore Bus   | 220,991       | 1.15%       |
| Takawa Trustees Limited  | 200,262       | 1.05%       |
| Jarden Securities Limited - NZCSD                                    | 200,000       | 1.04%       |
| FNZ Custodians Limited   | 188,023       | 0.98%       |

**Shareholder Information**

For the year ended 31 March 2022

**Substantial security holders**

As at 31 March 2022 the following persons are substantial product holders according to the Company's records and disclosures under the Financial Markets Conduct Act 2013. The number of ordinary shares set out below are taken from the relevant substantial product holder notices.

|   | <b>No. of shares</b> | <b>% of shares</b> |
|---|----------------------|--------------------|
| Lindsey Investment Trust                | 3,331,781            | 17.40%             |
| Excalibur Capital Partners Limited      | 2,336,412            | 12.20%             |
| Trinity Portfolio Ltd / Joseph Van Wijk | 1,947,227            | 10.17%             |
| Rochdale Investments Limited            | 1,451,440            | 7.58%              |

**Directors**

The names of the directors holding office during the year are:

K Jackson  
J Cilliers  
R Gower  
S Joyce

**Interests register**

The following entries were made in the interest register during the year ended 31 March 2022:

- The directors provided the following disclosure of entities in which, due to the nature of their relationship, may be related parties to Ascension.

| <b>Director</b> | <b>Entity</b>                             | <b>Status</b>                     |
|-----------------|---|-----------------------------------|
| K Jackson       | Cooks Global Foods Limited                | Director and shareholder          |
|                 | Cooks Investment Holdings Limited         | Director and shareholder          |
|                 | Dairy Farm Investments (Ruawhata) Limited | Director and indirect shareholder |
|                 | Halberg Endowment Fund                    | Trustee                           |
|                 | Jackson & Associates Limited              | Director and shareholder          |
|                 | Nikau Trust                               | Trustee                           |
|                 | Weihai Station Limited                    | Director                          |
| J Cilliers      | Acanthus Limited                          | Director                          |
|                 | Callisto One Limited                      | Director                          |
|                 | Incrementum Limited                       | Director and shareholder          |
|                 | Millennium Mineral Resources Limited      | Director                          |
|                 | MMR New Zealand International Limited     | Director                          |
|                 | Myland Partners (NZ) Limited              | Director                          |
|                 | Southern Charter Financial Group Limited  | Director and shareholder          |
|                 | Western City Holdings Limited             | Director                          |



**Shareholder Information**

For the year ended 31 March 2022

| <b>Director</b>                           | <b>Entity</b>                                | <b>Status</b>             |
|---|--|---------------------------|
| R Gower                                   | Apprentice Training Trust                    | Trustee                   |
|   | Arno Investments Limited                     | Director and shareholder  |
|   | Cer Trustee Company Limited                  | Director and shareholder  |
|   | Clever Nutrition Limited                     | Director and shareholder  |
|   | Goodwood Capital Limited                     | Director                  |
|   | Gower Management Group Limited               | Director and shareholder  |
|   | Ika Nui Charters Limited                     | Director                  |
|   | Me Today Limited                             | Director                  |
|   | Mitsui Credit Limited                        | Director and shareholder  |
|   | New Zealand Food Innovation Auckland Limited | Director                  |
|   | New Zealands Best Food And Beverage Limited  | Director                  |
|   | NXT Fuels Limited                            | Director                  |
|   | Primeport Timaru Limited                     | Director                  |
|   | Rec No. 2 Limited                            | Director                  |
|   | Rec No. 3 Limited                            | Director                  |
|   | Rf Project 1 Limited                         | Director                  |
|   | Roger Gower & Associates Limited             | Director and shareholder  |
|   | Utility Security Limited                     | Director and shareholder  |
|   | S Joyce                                      | Ascension Capital Limited |
| Best Start Educare Limited                |  | Director                  |
| Blackwell Global Finance Limited          |  | Director                  |
| Blackwell Global Funds Limited            |  | Director                  |
| Blackwell Global Holdings Limited         |  | Director                  |
| CM Partners Limited                       |  | Director and shareholder  |
| CMP Consulting Limited                    |  | Director                  |
| CMP Growth Capital Fund Limited           |  | Director and shareholder  |
| Connaught Trust Limited                   |  | Director and shareholder  |
| Connemara Capital Limited                 |  | Director and shareholder  |
| Connemara Consulting Limited              |  | Director and shareholder  |
| Connemara Finance Limited                 |  | Director                  |
| Connemara Real Estate Limited             |  | Director                  |
| Excalibur Capital Nominee Company Limited |  | Director and shareholder  |
| Excalibur Capital Partners Limited        |  | Director and shareholder  |
| Goodwood Capital Limited                  |  | Director                  |
| Maverick Capital Trust Limited            |  | Director and shareholder  |
| Mounterowen Limited                       |  | Director and shareholder  |
| Oceania Capital Trust Limited             |  | Director and shareholder  |
| T.L. Jones Limited                        |  | Director                  |
| The Guardian Multi Family Office Limited  | Shareholder                                  |                           |

- K Jackson, J Cilliers, R Gower and S Joyce each receive directors' fees of \$20,000 plus GST per annum.
- Excalibur Capital Partners Limited (a company controlled by S Joyce) is the creditor in a loan arrangement with the Company (as debtor) for \$405,431.
- Excalibur Capital Partners Limited (a company controlled by S Joyce) is the holder of 2,336,412 shares in the Company.
- K Jackson holds an interest in 359,407 shares in the Company.

## Shareholder Information

For the year ended 31 March 2022

### Directors' relevant interest in equity securities

As at 31 March 2022 the directors of Ascension held the following relevant interests in the ordinary shares of the Company.

| Name of Director | Independent director | Nature of relevant interest | No. of shares held |
|------------------|----------------------|-----------------------------|--------------------|
| K Jackson        | Independent          | Beneficial owner            | 359,407            |
| J Cilliers       | Independent          |                             | -                  |
| S Joyce          |                      | Indirect ownership          | 2,336,412          |
| R Gower          | Independent          |                             | -                  |

### Directors' remuneration

The following remuneration was provided to directors during the year.

|  | <b>2022</b>   |
|--|---------------|
|  | <b>NZ\$</b>   |
| K Jackson                              | 20,000        |
| J Cilliers                             | 20,000        |
| S Joyce                                | 20,000        |
| R Gower                                | 20,000        |
| <b>Total remuneration of directors</b> | <b>80,000</b> |

### Directors' indemnification

The Company indemnifies all current directors of the Group against all liabilities (other than to a member of the Group) which arise out of the performance of their normal duties as directors, unless the liability relates to conduct involving lack of good faith.

### Employee remuneration

There was no remuneration or other benefits paid to employees during the year.

### Donations

No donations were made by the Company during the year.

### Auditor

BDO is the auditor for the Company. Audit fees due and payable to the auditor for the year ended 31 March 2022 were \$23,890. BDO provided no other services to the Company apart from the audit of the financial statements.

### NZX Waivers

Ascension has not relied on any waivers issued by the NZX in the 12 months ended 31 March 2022.

## Board of Directors

### **Keith Jackson B Com**

*Chairman, independent director*

Keith was appointed to the Board in August 2001 and appointed as Chairman in December 2001.

Keith is experienced in business development, marketing and executive management. Keith has extensive business interests including the executive Chairman of Cooks Global Foods Ltd.

### **John Cilliers B Com, CA**

*Independent director*

John was appointed to the Board in May 2016.

John has been actively involved in NZAX listings and compliance, business acquisitions, commercialisation and the implementation of systems to support organisational growth. John is a director of NZSX listed Southern Charter Financial Group Limited. He was formerly the CFO of Pulse Energy Limited. John has a Bachelor of Commerce from South Africa and is a member of Chartered Accountants Australia and New Zealand.

### **Roger Gower BCom, MBA, MPhil**

*Independent director*

Roger was appointed to the Board in July 2020.

Roger has wide experience as a company executive, director and Chairman in both public and private companies. He is currently Chairman of PrimePort Timaru Limited and New Zealand Food Innovation Auckland Limited (the Food Bowl). Roger is also an independent director of NZX-listed Me Today Limited and the Chief Executive of New Zealand's Best Food & Beverage Limited (which has developed wellbeing products under the Douglas Nutrition brand). He was also Chairman at the juice company Charlie's which listed in 2005 and, prior to that, had a corporate career in logistics and transportation.

### **Sean Joyce LLB (honours), BA**

*Non-executive director*

Sean was appointed to the Board in July 2020.

Sean has over 25 years' experience in the corporate sector as a corporate lawyer and a market participant. He is a principal of his own corporate law firm and is a principal of Auckland-based capital markets advisory firm and NZX Sponsor, CM Partners Limited.

Sean has a particular focus on the capital markets and securities laws – regulatory compliance, compliance listings, reverse listings, fund raising and offerings of various types of securities in New Zealand. Sean has been involved in a large number of IPOs, reverse listings and takeovers of listed companies in New Zealand and Australia.

Sean is a non-executive director of several small cap listed companies and is a non-executive director of several significant privately held companies. Sean is a Chartered Member of the Institute of Directors (CMinstD).

Sean is not considered to be independent under the NZX Listing Rules as Excalibur Capital Partners Limited, a company controlled by Sean, is a substantial product holder of the Company.

## Corporate Governance Statement

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The Board of Directors (“Board”) of Ascension recognise the need for strong corporate governance practices and has adopted a comprehensive corporate governance code. The code is based on the recommendations set out in the NZX Corporate Governance Code and the requirements of the NZX Main Board Listing Rules. Key documents referred to in this section are available on the Company’s website [www.ascensioncapital.co.nz](http://www.ascensioncapital.co.nz). The information contained in this section is current as at 31 March 2022 and has been approved by the Board. The key documents within the code were last reviewed effective March 2022 and a summary statement of the key documents is as follows:

### Code of Ethics and Financial Products Trading Policy

Ascension has adopted policies that are designed to formalise its commitment to the highest standards of ethical conduct and to provide all Directors and representatives with clear guidance on those standards. These are governed by the Code of Ethics and also the Financial Products Trading Policy.

The Code of Ethics details the ethical and professional behavioural standards required of the Directors and all employees.

The Financial Products Trading Policy details the procedure whereby Ascension Directors and employees may trade in the Company’s shares. Directors and employees may not trade in Ascension shares when they have price sensitive information that is not publicly available. In addition, except where the Directors have the permission of the Board, the Directors may trade in the Company’s shares only during specified trading windows.

The Company maintains an interests register in which the particulars of certain transactions and matters involving Directors must be recorded. Details of all matters entered into the register by individual Directors are outlined on page 24.

### Governance Code

The Board has adopted a Governance Code that sets out the roles and responsibilities of the Board and distinguishes between the role and responsibilities of the Board and Management. Board’s role is to direct the Company and enhance its value for Shareholders in accordance with good governance principles. The Board recognises that the quality with which it performs its functions is an integral part of the performance of the Company and that there is a strong link between good governance and performance.

### Role and Composition of the Board

Ascension retains a Board of Directors which aims to ensure that shareholders’ interests are held paramount. The Board is responsible for the direction and control of Ascension and is accountable to shareholders and others for the Company’s performance and compliance with the appropriate laws and standards. A key responsibility of the Board is to monitor the performance of management on an ongoing basis. Profiles of the individual Directors can be found on page 27.

The Company’s Constitution requires a minimum of three Directors with a maximum of seven. At least two of the Directors must be ordinarily resident in New Zealand. The composition of the Board must include a minimum of two Independent Directors. The Board elects a Chairman whose primary responsibility is the efficient functioning of the Board. The Board is currently made up of four Directors and the Board considers that three Directors are independent in terms of the New Zealand Exchange requirements.

### Independent Directors

- Keith Jackson (Chairman)
- John Cilliers
- Roger Gower

### Non-executive director

- Sean Joyce

Sean Joyce is not considered to be independent under the NZX Listing Rules as Excalibur Capital Partners Limited, a company controlled by Sean, is a substantial product holder of the Company.

## Corporate Governance Statement

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### Board meetings

The Board is provided with accurate timely information on all aspects of the Company's operations. The Board is kept informed of key risks to the Company on a continuing basis.

The Company is currently non-trading. The key focus of the Board is to identify a suitable business opportunity to invest in and/or acquire through a reverse takeover transaction. The Board meet once during the year, with all Board members in attendance, to approve the annual report. As the Company is non-trading, the Board has been able to conduct all other matters by way of Directors' resolutions.

In the future, Board meetings will be held as required.

### Diversity Policy

Ascension believes that diversity and inclusion contribute to competitive advantage and sustainable business success which is reflected in the Companies Diversity Policy. Ascension is committed to an inclusive workplace that fosters and promotes workplace diversity at all levels. This provides the capacity to view problems and opportunities from many different perspectives.

#### Board diversity table as at 31 March

|                          | 2022 | 2021 |
|--------------------------|------|------|
| Male directors           | 4    | 4    |
| Female directors         | -    | -    |
| Gender diverse directors | -    | -    |
| Male officers            | -    | -    |
| Female officers          | -    | -    |
| Gender diverse officers  | -    | -    |

The Board believes that the current makeup of the Board is appropriate at this time.

### Board Committees – Audit Finance and Risk Committee

The Board has overall responsibility for the Company's system of risk management and internal control. The Board has established a committee known as the Audit, Finance and Risk Committee. The primary purpose of the Audit, Finance and Risk Committee is to assist the Board in fulfilling its responsibilities relating to the Company's management systems, accounting and reporting, external and internal audit, finance and risk management activities. The Committee comprises John Cilliers (Chairman of Committee) and Keith Jackson. Meetings are held not less than twice a year having regard to the Company's reporting and audit cycle. Key risk management tools used by Ascension include the audit committee function, outsourcing of certain functions to experts, internal controls, financial and compliance reporting procedures and processes, business continuity planning and insurance.

### Other Committees

Due to the importance of Nomination and Remuneration matters these are addressed by the Board as a whole and consequently there is no separate Nomination or Remuneration Committee at this time.

### Continuous Disclosure

Ascension's Market Disclosure Policy sets out the Company's arrangements to ensure material information is identified, reported, assessed and, where required, disclosed to the market in a timely manner. Ascension is committed to ensuring the timely disclosure of material information about the Company to ensuring that the Company complies with the NZX Main Board Listing Rules.

### Remuneration Policy

Ascension's Remuneration Policy is included in its Remuneration, Nomination and Health & Safety Committee Charter which sets out the principles which apply to the remuneration of the Board and employees. Details of individual director remuneration are outlined in Note 17 of the Financial Statements.

## Corporate Governance Statement

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### Auditors

The Audit, Finance and Risk Committee is accountable for ensuring the performance and independence of the external auditors – BDO Wellington Audit Limited. The Committee also recommends to the Board, which services other than the statutory audit, may be provided by BDO Wellington Audit Limited as auditors.

### Shareholder Relations

The Board recognises the importance of providing comprehensive and timely information to shareholders. Information is communicated to shareholders in the Interim Report and the Annual Report. The release of the Annual Report is followed by the Annual Shareholders Meeting, which the Board recognises as an important forum at which the shareholders can meet and question the Board. Full participation of shareholders is encouraged at the Annual Shareholders Meeting to ensure a high level of accountability and identification with the Company's strategies and goals. Shareholders are encouraged to submit questions in writing prior to the meeting.

### Environmental, Social and Governance

Ascension recognises the importance of minimising our environmental, social and governance impact. The Company is committed to minimise its environmental impact and achieve sustainable business practices.

### Summary of Exceptions

The Company's corporate governance code is based on the recommendations set out in the NZX Corporate Governance Code and the requirements of the NZX Main Board Listing Rules. The Board considers that Ascension's corporate governance code has followed these recommendations and requirements in all material respects in the current year with the following exceptions:

- Recommendation 3.6 (protocols setting procedure to follow if takeover offer received including the set-up of a separate committee) - there are no written protocols at this time but the whole Board would be immediately involved and legal advice sought.
- Recommendation 4.3 (reporting includes non-financial disclosures such as exposure to environmental risks and how those risks are managed) – due to the Company's lack of current operations such reporting will be considered in future years.
- Recommendation 7.2 (the external auditor should attend the issuer's Annual Meeting to answer questions from shareholders in relation to the audit) - the Board considered that it was not necessary for BDO, the external auditor, to attend the 2021 Annual Meeting given the agenda and focus of the meeting. The Board were able to provide all necessary information to shareholders. The external auditor will be invited to attend future Annual Meetings as appropriate.
- Recommendation 8.5 (the board should ensure that the notices of annual or special meetings of quoted equity security holders is posted on the issuer's website as soon as possible and at least 20 working days prior to the meeting) - the Company held the 2021 Annual Meeting on 30 September 2021. The notice of the Annual Meeting was released on 9 September 2021, being less than the 20 working days recommended. Scheduling and planning for the meeting occurred during the Auckland Covid lock-down period, which added uncertainty and complexity as to when, where and how the meeting could be held, reducing the time available for the notice of meeting.

The alternate governance practices described above have been approved by the Board.

Ascension Capital Limited  
**Company Directory**

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**Company Number:**  
1009777

**Incorporated**  
21 January 2000

**Directors**  
K Jackson  
J Cilliers  
R H Gower  
S Joyce

**Registered Office**  
c/- Duncan Cotterill Lawyers  
Level 2, Tower Building  
50 Customhouse Quay  
Wellington 6143

**Bankers**  
ANZ Bank Limited  
23-29 Albert Street  
Auckland 1010

**Auditor**  
BDO Wellington Audit Limited  
Level 1, Tower Building  
50 Customhouse Quay  
Wellington 6143

**Share Registry**  
Computershare Investor Services Limited  
Level 2, 159 Hurstmere Road  
Takapuna  
Ph: +64 9 488 8777