

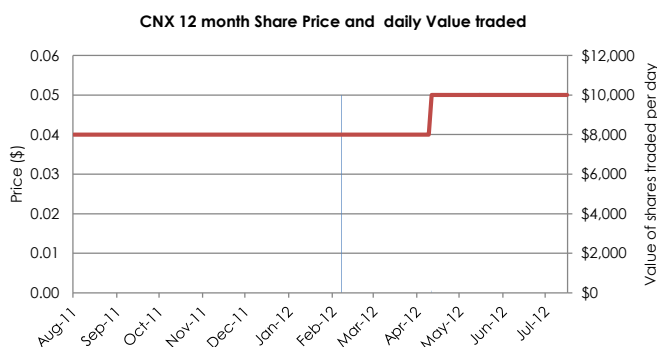
# Issuer Profile



## Connexionz Limited



<b>Code</b>	<b>CNX</b>
<b>Last Price</b>	<b>\$0.05</b>
<b>Issuer Profile Date</b>	31/07/2012
<b>Market</b>	Unlisted
<b>Listed</b>	Dec-09
<b>Year End</b>	31-Mar
<b>Shares issued</b>	54,205,249
<b>Market Cap</b>	\$2,710,262
<b>Dividend yield (Gross)</b>	0.0%
<b>Website</b>	<a href="http://www.connexionz.co.nz">www.connexionz.co.nz</a>



## Company Overview

CNX is engaged in the provision of automatic vehicle tracking systems.

CNX develops, manufactures and delivers Intelligent Transport Systems (ITS) and Real Time Passenger Information Systems (RTPIS). CNX has nine customers in New Zealand (2), Australia (1) and the United States (6). CNX supplies vehicle tracking information to 9 transit agencies, covering 635 vehicles on 164 routes, and provides real time arrival information for more than 4,800 bus stops to over 740 signs, 9 web sites, 3 integrated voice response systems and numerous smart phone and SMS users.

CNX is committed to providing transit agencies and their passengers with real time, trustworthy bus arrival information that helps passengers feel more confident and in control when using public transport and enables transit agencies to improve ridership.

## Financial Summary (NZ\$000's)

	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Mar-12
<b>Financial Performance</b>					
Total Revenue	2,177	3,585	3,675	2,969	1,982
EBITDA	148	384	355	34	(68)
EBIT	103	355	251	(7)	(160)
EBIT Margin	4.7%	9.9%	6.8%	(0.2%)	(8.1%)
<b>Net Profit/Comprehensive Income</b>	<b>(888)</b>	<b>248</b>	<b>(478)</b>	<b>(58)</b>	<b>(217)</b>
<b>Financial Position</b>					
Current Assets (ex cash)	1,312	1,009	833	957	764
Current Liabilities (ex debt)	(1,880)	(1,314)	(1,006)	(1,115)	(764)
<b>Net Working Capital</b>	<b>(568)</b>	<b>(305)</b>	<b>(174)</b>	<b>(158)</b>	<b>(1)</b>
Non-Current Assets	1,045	1,223	608	517	503
Non-Current Liabilities (ex debt)	-	-	(77)	(37)	(34)
<b>Total Net Assets (ex cash/debt)</b>	<b>477</b>	<b>919</b>	<b>357</b>	<b>322</b>	<b>468</b>
(Cash)	(15)	(25)	(26)	(13)	(63)
Debt	399	194	80	137	80
<b>Net Debt</b>	<b>384</b>	<b>168</b>	<b>54</b>	<b>124</b>	<b>17</b>
Shareholder Funds	93	750	303	198	452
<b>Total Capital Employed</b>	<b>477</b>	<b>919</b>	<b>357</b>	<b>322</b>	<b>468</b>
<b>Total Assets (incl cash)</b>	<b>2,372</b>	<b>2,258</b>	<b>1,467</b>	<b>1,487</b>	<b>1,330</b>
<b>Cash Flows</b>					
Operating Cash Flows	246	300	301	70	(285)
Investing Cash Flows	(800)	(422)	(160)	(92)	(79)
Financing Cash Flows	502	224	(27)	(48)	472
<b>Net Increase/(Decrease) in Cash</b>	<b>(53)</b>	<b>102</b>	<b>114</b>	<b>(70)</b>	<b>108</b>

### Disclaimer

The information contained in this Issuer Profile has been prepared by Armillary Private Capital ('Armillary'), on behalf of Efficient Market Services Limited ('Unlisted'). While the intention is to provide accurate information based on historical performance and market information, Armillary and Unlisted accept no liability for any errors or inaccuracies in this Issuer Profile. The reader is advised to perform their own research to confirm the accuracy of the information contained in this Issuer Profile before relying on it for any investment decision making. This Issuer Profile has been prepared as a 'class service' as defined by the Financial Advisers Act and is general in nature.

## Analysis

	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Mar-12
<b>Investment Performance</b>					
Closing Share Price (\$)	na	na	0.08	0.04	0.04
Annual Total Return (including net dividends)	na	na	na	(50.0%)	0.0%
<b>A Profitability (EBIT/Revenue)</b>	4.7%	9.9%	6.8%	(0.2%)	(8.1%)
<b>B Activity (Rev/Average Total Net Assets)</b>	2.85	3.16	4.19	5.87	4.18
<b>Return on Capital Employed (A x B)</b>	<b>13.4%</b>	<b>31.3%</b>	<b>28.6%</b>	<b>(1.4%)</b>	<b>(33.7%)</b>
<b>Return on Equity (NPAT/Average Shareholders Funds)</b>	<b>(957.0%)</b>	<b>58.9%</b>	<b>(90.8%)</b>	<b>(23.1%)</b>	<b>(67.0%)</b>
Shares on Issue (m)	23.3	23.6	24.2	24.2	54.2
Reported Net Profit / Comprehensive Income (\$m)	(0.9)	0.2	(0.5)	(0.1)	(0.2)
Payout Ratio	-	-	-	-	-
Net Dividend Yield	na	na	na	na	na
Imputation Credits	-	-	-	-	-
Gross Dividend Yield	na	na	na	na	na
<b>Per Share (cents)</b>					
EBITDA	0.6	1.6	1.5	0.1	(0.1)
EPS - Basic	(4.1)	1.1	(2.0)	(0.2)	(0.5)
EPS - Diluted	(4.1)	0.9	(1.7)	(0.2)	(0.4)
Net Dividend	-	-	-	-	-
Net Tangible Assets	(2.0)	(0.9)	(0.5)	(1.2)	(0.1)
Cash Flow from Operations	1.1	1.3	1.2	0.3	(0.5)
<b>Valuation (as at year end)</b>					
Trailing P/E (multiple)	na	na	nm	nm	nm
Market Value (\$m)	na	na	1.9	1.0	2.2
Net (Cash)/Debt (\$m)	0.4	0.2	0.1	0.1	0.0
Enterprise Value 'EV' (\$m)	na	na	2.0	1.1	2.2
EV/EBITDA (multiple)	na	na	5.6	32.2	-32.3
Price/Net Tangible Assets (multiple)	na	na	(17.3)	(3.4)	(67.9)
<b>Operating Ratios</b>					
EBIT Margin	4.7%	9.9%	6.8%	(0.2%)	(8.1%)
NPAT Margin	(40.8%)	6.9%	(13.0%)	(2.0%)	(11.0%)
Net Capex to Sales	36.8%	11.8%	8.8%	3.1%	4.0%
<b>Annual Growth Rates</b>					
Revenue	65.3%	64.7%	2.5%	(19.2%)	(33.2%)
EBITDA	14889.3%	159.9%	(7.6%)	(90.5%)	(299.2%)
NPAT	(34.5%)	127.9%	(292.8%)	87.9%	(275.4%)
Net Assets	31.6%	92.6%	(61.1%)	(9.9%)	45.4%
Equity	(58.8%)	708.1%	(59.6%)	(34.8%)	128.5%
<b>Capital Structure</b>					
Equity to Total Assets	3.9%	33.2%	20.7%	13.3%	34.0%
Net Debt/(Net Debt+Equity)	80.5%	18.3%	15.1%	38.6%	3.6%
Net Debt to Equity	413.7%	22.4%	17.8%	62.9%	3.7%
Interest Cover (multiple)	2.0	3.3	4.6	(0.1)	(2.8)

Directors	Position	Appointed
Bruce Sheppard	Chair	8-Mar-07
Anthony Kan	Director	1-Aug-99
Richard Riley	Director	31-Mar-00
Brian Olorenshaw	Director	9-Mar-11

Top Ten Shareholders *	Shares	Ownership
Jin Ming Yang	8,000,000	14.76%
Southern Hills Imperial Timber (1932) Pty Limited	7,980,827	14.72%
Michael Simson	3,000,000	5.53%
Robert Brian Burke	2,906,452	5.36%
Ronald Joseph Gillatt	2,730,086	5.04%
Richard Riley	2,256,024	4.16%
Russell John Field and Anthony James Palmer	2,200,000	4.06%
Chao Yang Luo	2,000,000	3.69%
Paul Francis Zwaan	1,972,067	3.64%
Lorraine Margaret Gray and Allan Coull	1,897,783	3.50%
<b>Total</b>	<b>34,943,239</b>	<b>64.46%</b>

\* As at 17 May 2012