

Appendix 4D

INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2020

VONEX LTD
ABN 063 074 635

1. Company details

Vonex Ltd

ABN or equivalent company reference	Financial period ended ('current period')	Financial period ended ('previous period')
39 063 074 635	31 December 2020	31 December 2019

2. Results for announcement to the market

2.1. Revenue	Up	74% to	9,775,059
2.2. Profit (loss) after tax	Down	101% to	(1,663,030)
2.3. Net profit (loss) for the period attributable to members	Down	101% to	(1,663,030)
2.4. Dividends	It is not proposed to pay dividends.		
2.5. Record date for determining entitlements to the final dividend.	N/A		
2.6. Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable the figures to be understood.	<p>The loss for the consolidated entity amounted to \$1,663,030 (31 December 2019: \$829,383).</p> <p>The two telco divisions of the consolidated Group have continued to maintain profit results on the back of strong sales results which saw Group sales revenues increase by 80.5% along with a 24% net increase in Retail customer accounts.</p> <p>Successfully integrating 2SG Wholesale has allowed the Company to expand its offering to SME customers by developing and delivering new products. 2SG's sales growth was strong across its new and existing Wholesale product suite in Q2 FY21, including an 88% increase in Mobile Broadband orders year-on-year for the quarter, Mobile Voice up 321% and NBN with 4G backup increasing by 107% over the same period. This strong growth reflects Vonex beginning to capture the cross-selling opportunities the Company identified prior to acquiring 2SG Wholesale.</p> <p>The financial position of the consolidated entity remains strong with solid cash reserves.</p> <p>A contributing factor of the net loss position has been the recording of share based payment expense totalling \$1.33 million. Share based expense payments are a non-cash outlay. These expenses are reported book valuations placed on share issue related transactions that have occurred during the reporting period and in order to meet reporting requirements under the Australian Accounting Standards.</p>		

The Company has resolved to now transition Oper8tor from one of active research and development, to one which focuses on identifying and engaging the right technical and financial partners to guide Oper8tor's further development and commercialisation.

The Company will maintain in good standing all intellectual property, websites and internationally granted patents relating to Oper8tor, however it does not anticipate committing further development capital to the project at this time.

3. NTA Backing

	Current Period	Previous Corresponding Period
Net tangible asset backing per ordinary security	\$0.017	\$0.013

4. Control gained over entities

Name of entity (or group of entities)	N/A
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Date control gained	N/A
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5. Dividend Reinvestment Plans

The Company does not have a dividend reinvestment plan.

6. Details of associates and joint venture entities

There are no associates or joint venture entities.

7. Statement of compliance in regards to review

If the accounts are subject to audit dispute or qualification, details are described below

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

Sign here:



Date: 26 February 2021

Executive Director

Print name:

Matthew Fahey