



**SUMMARISED
CONSOLIDATED
FINANCIAL
STATEMENTS**

**FOR THE YEAR
ENDED 30 JUNE**

2023

Alaris Holdings Limited
Incorporated in the Republic of South Africa
(Registration number 1997/011142/06)
("Alaris" or the "Company" or the "Group")

These Summarised Consolidated Financial Statements are an extract from the Integrated Annual Report ("IAR") and consolidated financial statements for the year ended 30 June 2023 prepared in accordance with IFRS standards and the requirements of the Companies Act of South Africa. The IAR was approved by the Board of Directors on 10 October 2023. The financial statements were audited by KPMG Inc., which expressed an unmodified opinion thereon.

SUMMARY

Revenue
increased by
60%
from R353 million
to R564 million.

Profit after tax
increased by
254%
from R19 million
to R65million.

Normalised earnings
per share
increased by
94%
from 28.38 cents
to 55.20 cents.

THE UNITED BRANDS OF ALARIS

Alaris, founded in 1997, is a global radio frequency (RF) technology Group. The Group prioritises the creation of its own products and safeguarding its intellectual property. It delivers technologically advanced solutions and products to various sectors, including defence, aviation, marine, wireless, industrial, healthcare, research communities, and government institutes. The Group strives to become a dependable technical advisor and partner in the RF technology field, as reflected in its subsidiaries' customer-focused approach.

The Alaris Group consists of:



Alaris Antennas ("Antennas"), established in 1997 and based in Centurion, South Africa, specialises in the design, development, production, and distribution of cutting-edge broadband antenna systems and related RF products for the communication, frequency monitoring, testing and measurement, electronic warfare, and other specialized industries. The company serves a global clientele of system integrators, frequency regulators, and homeland security experts across the Americas, Europe, Asia, and beyond.

Alaris COJOT ("COJOT"), founded in 1986 and located in Espoo, Finland, serves military and public safety markets globally. With more than 35 years of experience, the company designs, develops and manufactures innovative broadband antennas that improve the connectivity, coverage and competitiveness of radio equipment deployed to save lives and protect property.

Alaris mWAVE ("mWave"), based in Windham, Maine in the United States, is a leading global provider of advanced custom and commercial microwave and millimetre-wave antenna solutions. The company was established in 2004 and designs and manufactures standard and custom antennas, feeds and components for commercial and government applications.

Alaris USA ("AUSA"), trading as a division of mWave and based in Windham, Maine, sells and supports specialised antennas and other RF-related products designed by COJOT, Alaris Antennas and more recently Linwave Technology and Kuhne electronic products, to customers in North America. Its products are used in the RF communication, frequency spectrum monitoring, testing and measurement, counter unmanned aircraft systems (UAS), electronic warfare, medical equipment and other specialised and emerging markets. Alaris USA clients are system integrators, frequency spectrum regulators, government end users and law enforcement entities.

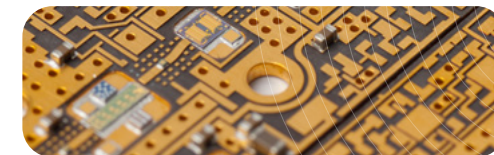


Alaris Linwave ("Linwave"), founded in 2003 and based in Lincoln in the United Kingdom, is a leading supplier of novel, custom RF and microwave products across multiple markets from defence, avionics, marine and wireless, to industrial and healthcare. The company designs and manufactures customised microwave/RF components for harsh environmental applications at frequencies up to 100GHz. Solutions can range from die level semi-conductor components assembled and tested in the company's own clean room facility, to complex sub-systems with multiple functions incorporating software and embedded control. Linwave prides itself on its ability to work closely with its customers to develop the optimum solution for their particular application, ultimately providing them with a technical advantage in the marketplace.

Alaris Kuhne ("Kuhne"), founded in 1994 and based in Berg, Bavaria, Germany, is an RF and Microwave electronics engineering company, which develops, manufactures, and sells products and components into the healthcare, industrial, amateur radio, SatCom, broadcast and defence market segments. It has an in-house design and development team and a manufacturing department capable of supporting both prototype product build and medium scale batch manufacture, including automated pick and place capability. With the acquisition of Kuhne to the Group effective from 1 July 2022, Kuhne's drive to become even more subsystem oriented has been significantly enhanced.



BUSINESS OVERVIEW AND PROSPECTS



The **Alaris Group** experienced a remarkable financial year in terms of financial results and achievements amidst some challenges that had to be overcome in financial year 2023. In summary, the Group reported an increase in revenue by 59.9% from R353.0 million to R564.4 million and profit after tax ("PAT") increased by 253.7% from R18.8 million to R66.5 million. As a result, normalised earnings per share ("NEPS") increased by 94% from 28.4 cents to 55.2 cents.

As illustrated by the above numbers, the conclusion of the most recent financial year has resulted in a historic year for Alaris, making it a year that the entity can be very proud of. Despite a backdrop of global economic uncertainty, the Group emerged with very positive financial results, whilst confronting challenges that were part of this period.

Innovation is key to the growth strategy at Alaris and a number of development projects were concluded successfully this year. These products were successfully deployed, assisting in an increased sales order intake and market share. The highly skilled teams across the various subsidiaries are committed to work in close partnership with the Alaris clients, thereby serving as trusted advisors.

One of the most significant milestones of the year was the rebranding project and the successful introduction of the United Brands of Alaris in the beginning of the new financial year. This campaign was a landmark event in the history of the Group and was met with very positive feedback from all stakeholders - from the initial introduction to the employees, to customers, partners and investors. The whole process was based on intensive research, discussions and detailed planning. The corporate identity was updated, showcasing the united force of the Group visually. The project also created an opportunity to revamp the websites for the Group, as well as its subsidiaries and thereby placing a renewed focus on the knowledge, products and services from all entities. The revived focus on a cohesive brand strategy should significantly contribute to an increased brand awareness among our target audience in the future.

However, the year was not without its challenges. Various resource changes were experienced during the year, which had an impact on the smooth flow of operations. Experienced resources were brought in and as the newly appointed key individuals settled in towards the latter part of FY23, the impact of these resignations was mitigated and successfully concluded. Alaris is excited to announce that one of the key appointments was that of the new Group CFO, Chris Buckenham, who is based in the UK. This appointment and the move of Chris Vale, Group CTO, to be based at our Linwave site in the UK, are in line with the strategic objectives of the Group expansion project.

Not only within the Group, but globally, the industry is experiencing difficulties in finding RF resources. Therefore, the Group has made a significant effort to increase its expertise in engineering on various fronts and levels, including internships, graduate programmes and bursary programmes to coach the relevant expertise already from a junior age. The appointment of senior business development managers in specific territories had a positive result, as the company was able to work in a closer relationship with its clients in a number of identified areas.

The integration of Kuhne into the Group is an ongoing effort, with several changes that were required post-acquisition and retirement of the founding MD. Systems have been aligned with those of the Group and new processes were put in place to integrate the business. As the market is picking up, management is optimistic about the future of the entity.

While celebrating the Group's acquisitional achievements, it is essential to reiterate our commitment to organic growth. This remains a key focus for Alaris as a Group, as we strive to expand our market presence and executing our customer centric approach. During the past year, a substantial portion of attention and resources were dedicated to the creation of new products and the fostering of innovation. This was accomplished through the implementation of strategic product road maps developed the prior year. The period under review has demonstrated the Group's ability to achieve growth even in challenging circumstances, and we intend to build upon this foundation in the coming year.

Furthermore, acquisitions continue to be an integral part of Alaris's growth strategy, as the Group seeks to broaden its global footprint and diversify its business. These acquisitions do not only offer opportunities for market expansion but also allow the Group to tap into new talent pools and technologies that can drive innovation within the organisation.

In line with the strategy for increasing global territory, the Group's expansion project remains a pivotal ongoing initiative. The ultimate objective of this project is to facilitate the Group's transition to an international listing. Management recognises that an international listing will not only increase our visibility and accessibility to a broader range of investors but will also provide Alaris with greater access to capital for future growth initiatives.

One of the positive changes in the period under review, was the improvement of the supply chain operations. Although longer lead times than preferred were still encountered and new suppliers had to be found, progress was made in streamlining the supply chain processes. This improvement has not only enhanced the company's operational efficiency but also positioned it to better navigate future supply chain challenges.



Looking ahead, the executive team remains optimistic about the future prospects of our group. The achievements of the past financial year have bolstered the Group's foothold in strategic markets and territories, and the company is well-positioned to continue its growth trajectory. The challenges which were encountered, were met with resilience and adaptability, demonstrating the strength and determination of our team.

As the Group moves forward, our commitment to being a trusted advisor to our clients, organic growth, strategic acquisitions, and international expansion will continue to drive the company's success. In addition, the increase in its advanced technological designs and complexity of the products, the significant presence in expanded territories, the diversification of product offerings and additional market segments provide an ideal platform for a lucrative future.

The past financial year has been a testament to ability of the Group's dynamic workforce to thrive amidst adversity, and we are eager to face the opportunities and challenges that lie ahead with the same enthusiasm and determination that define the Alaris Group.

Alaris Antennas had a successful financial year, despite the low order book at the start of the year. The results remain solid, and the Alaris Antennas management team is optimistic about the year ahead. The company managed to secure higher volume orders, resulting in revenue increasing by 14% from R147m to R168m and a slight increase in profit year on year. The contribution in sales received from the USA increased significantly compared to the prior year with large opportunities in the C-UAS application area.

A number of new products were added throughout the year, expanding the product portfolio to address the increasing C-UAS demand as well as some project specific developments for larger DF opportunities in the naval space. Good progress was made on the internal product development for the ITU market and it is expected to see revenue on this product reflecting in the new year. Further funding was obtained from the Group Innovation Fund to develop an advanced solution for airborne platforms. This solution has garnered significant interest with key customers and the aim is to complete prototype development and testing of the product by the end of the coming year.

Further investment was made to increase capacity for the higher volume orders, by adding another testing chamber and other test equipment to maintain throughput despite higher volumes. It was beneficial to the team that new talent could be added by attracting bright youngsters from university with a passion to learn the complexities of RF and to become part of a successful engineering team.

The order intake throughout the financial year was strengthened by securing orders spanning over multiple years. This provides a better footing for FY24 and beyond with an open order book of about double compared to last year. The product mix is slightly different to the prior year with a heavier reliance on development projects with longer delivery cycles. The products currently in development incorporate increased complexity and have surpassed technical obstacles that resulted in new patents and certain advances in DF principles that create the opportunity to remain at the forefront of DF technology.

Through collaborations with other subsidiaries and partners, the new internal product developments will continue throughout FY24. The business development team has successfully widened the reach into various customers promoting these new products and interest levels look promising.

Based on the significant increase in product sales relating to C-UAS applications in FY23, further uptick in this area is expected and the marketing and sales effort has been adapted to unlock these opportunities worldwide.

Alaris Antennas endeavours to grow its team by adding a mix of experienced individuals and young talent that can help grow the company sustainably into the future. Its bursary and vocation programmes have proven successful and continued funding into these initiatives should ensure a steady pipeline of bright individuals in the future.

Considering the uptick in orders that span over more than one year creating better visibility into future revenues, the Alaris Antennas management team looks forward to a successful 2024 financial year.



Alaris COJOT reported a remarkable year of growth, with revenue increasing by 45% from €4,57 million to €6,65 million. This growth reflects the business's exceptional dedication to meet customer demand and the teams' focus on operational excellence and efficiency, which is evident in the substantial increase of 71% in PAT from €0,93 million to €1,59 million. The results are significant for COJOT. The numbers highlight the team's ability to convert revenue into profitability.

Amidst the persisting global component scarcity, initially presenting challenges and causing delays in major client deliveries during the year, the company observed a subsequent improvement in the situation in the latter part of the 2023 year. The prices of raw materials and components continued their upward trajectory, accompanied by prolonged lead times. To manage risk, COJOT implemented measured price increments for sales throughout the financial year.

Significant milestones were achieved in several steered beam antenna (SBA) sales projects during the financial year. These successes demonstrate the highly skilled engineering capabilities and technical expertise of its employees, whilst delivering cutting-edge solutions to clients. As part of the strategic roadmaps, the SBA projects provide a solid foundation to COJOT for future business opportunities.

The outlook for financial year 2024 is positive, as the business commences the year with a very healthy order backlog. Key to the growth strategy, is the strategic product portfolio of smart antennas, which includes SBAs and MIDAS products, and which provides a unique competitive advantage to customers. This portfolio will contribute significantly to the organic growth of the COJOT, enhancing its market position.

The COJOT Management team is positive that the outlook for COJOT remains promising, and the entire team is committed to leveraging the business strengths to drive sustainable growth and profitability.

Alaris mWAVE revenue increased 104% over the previous year with a significant portion of that being in larger, custom system sales that will have programmatic repeat business. These projects require significant upfront engineering and design effort but that is leveraged to obtain and efficiently produce revenue going forward. The business also remains the market leader in commercial, larger-aperture, very high frequency antennas. mWAVE accomplished several product developments in this market area that contributed minor revenue in FY23, but that will be realised more fully in F24 and beyond.

After-tax profit increased to \$447k compared to a loss of \$181k in FY22. This improvement was a combination of increased revenue, improved gross margins and small growth in operating expenses.

mWAVE is well positioned for organic growth since the USA has the biggest defence spend and largest portion of the global electronic warfare market. Its product lines complement those of the Group's other subsidiaries, providing a further positive outlook for growth. The company is also focused on growing the geographical sales footprint through cross-selling opportunities with other Group subsidiaries. A good example of this is a large program where mWAVE is currently manufacturing products for an Alaris Antennas international customer.

The company continues to focus on increasing the number of sales opportunities and more effectively quoting and closing them. The company is also concentrating on getting in front of clients via tradeshows and direct visits. Like other subsidiaries in the Group, mWAVE will continue to be a trusted partner in antenna technology by taking the time to understand clients' needs and provide innovative and high-value solutions.

A significant contribution was recorded by **Alaris USA** for the fiscal year 2023. A valuable uptick has been observed in the USA market during the past year, and said entity observed these changes directly when large orders for compact Alaris Antennas DF antennas were received and delivered to a key customer.

Additional proposals were submitted and allocated awards were received successfully for Alaris Antennas compact DF antenna design-ins with other large defence contractors. These programmes provide a solid foundation for the future as it will help secure more orders as programs are awarded.

During the year, closer cooperation and deeper entrenchment took place with two key partners on developing COJOT SBA antennas and SBA antennas with integrated RF electronics. This engagement is to position Alaris USA for future product orders for mentioned designs.

Alaris USA sees great potential in expanding the customer base in the USA and Canada for the Linwave and Kuhne product lines with dedicated sales efforts working towards this goal. The ongoing efforts to get designed in on 1-Channel DF antennas, airborne DF products and additional compact ground-based DF antennas with existing and new customers will serve to drive growth for Alaris Antennas product sales in parallel to the smart antennas from COJOT.

Alaris Linwave ended the 2023 financial year with a 31% increase in turnover from £4.83m the previous financial year to £6.31m FY23, as well as an increase in profit of 13% from £486k to £550k. The 2024 financial year started with a strong forward order-book to the value of £5.2M and in addition the business received a £1.2M production order which will be scheduled throughout the back end of FY24 into FY25.



BUSINESS OVERVIEW AND PROSPECTS (continued)

The business has a positive outlook for FY24 with a number of significant opportunities in the pipeline to strengthen the order book further. Due to ongoing issues with long component lead-times from some elements of the supply chain however, the exact timing of these order placements will be critical in ensuring which projects will be delivered on time.

A general downturn for Microwave Source Module ("MSM") related products for the medical markets has been experienced, due to over-stocking during the worst of the supply chain challenges following the Covid pandemic, and the subsequent re-balancing of supply and demand since. The management team is confident that there remains a longer-term demand for these products and that demand should start picking up again throughout the 2024 financial year.

By contrast, an increase in activity in both the aerospace and defence sectors has been experienced, and this has resulted in both a number of new significant value orders and quote requests. In addition, there is a requirement from customers for Linwave to increase its output capacity, which is in the process of being implemented. A large proportion of this activity is related to an existing design which is qualified and "production-ready", thereby adding additional opportunities to the existing orderbook.

The implementation of Business Central (MS Navision) as the company ERP system, to align to that of the Group, has required a significant amount of time and effort from key members of the team. However good progress has been made and a BI tool will be integrated going forward to enhance reporting and further help drive business enhancements.

Linwave is nearing significant milestone deliveries across multiple and very challenging development projects which, if successful, will lead to significant new ongoing production requirements for aerospace applications. This has been supported by our enthusiastic intake of young graduates supporting our experienced engineering team. These young skills offer much promise for the future, whilst performing exceptionally well during the year itself. As a result, the business continues to invest in both apprenticeships and graduate sponsorships in order to develop engineers for the future, an area where there remains significant ongoing demand for these skills.

An increasing number of opportunities in the US, Europe and further afield for the technologically advanced skills and products of Linwave have been experienced recently. During the last few months of the financial year an investment was made to further strengthen the business sales team with further product knowledge in order to work closely with clients in providing appropriate technical solutions to their requirements. This underpins the business's growth aspirations for the future.

FY23 represents the first financial year for the Group inclusive of Kuhne electronic GmbH ("Alaris Kuhne") with the acquisition completed on 1 July 2022. Alaris Kuhne ended on a high note with the highest accumulated revenue in the company's history. Revenue achieved for the period amounted to €2.78million, of which 65% was generated in the second half from 1 January to 30 June 2023. During the financial year FY23 the headcount was stable with twenty full-time employees.

The new financial year starts off with a low order book, therefore the focus will remain on organic growth and on turning the sales process around by actively onboarding new customers. The outlook is positive, as there are already significant opportunities in the pipeline which Kuhne believes will turn into firm orders. Some relaxation in the procurement market has been observed for the purchasing of components used by Alaris Kuhne, with lead times and availability slowly improving. However, the obsolescence of some items continues to cause disruption in the product pallet.

Amongst other products, the engineering team has developed high quality amplifiers (250W and 450W) which are highly regarded in the medical equipment and plasma generation market. Unfortunately, a bit of a slowdown has been experienced in the MSM market, and clients are therefore moving existing orders out. The power amplifiers, which are leading products in the field in terms of size and weight to power output ratio, are also used in plasma generation.

Alaris Kuhne has actively been participating in trade shows during the year. Amongst others, the DSEI in London latterly in September 23, the IBC in Amsterdam and the EuMW in Berlin. Potential leads were generated at the shows, and the team is already starting to see the number of opportunities increasing in Europe, UK, US and Australia. Alaris Kuhne, with its highly knowledgeable engineering division, excellent manufacturing capabilities and strong personnel skills, has become a reliable asset for many clients in the microwave market.

In the new year, Alaris Kuhne will be strengthening its sales team and focus on activities to steadily improve the sales process as the site has accepted challenging growth aspirations and will be working dynamically to achieving these.



SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

R'000	2023	2022
Revenue ^A	564 377	353 013
Cost of sales	(174 636)	(133 365)
Gross profit	389 741	219 648
Other income	1 224	3 320
Operating expenses	(309 937)	(200 647)
Trading operating profit ^B	81 028	22 321
Finance income	1 350	439
Finance costs	(1 346)	(898)
Profit before taxation	81 032	21 862
Taxation	(14 499)	(3 064)
Profit for the year	66 533	18 798
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation reserve	38 839	3 026
Gross amount	45 348	3 887
Taxation	(6 509)	(861)
Total comprehensive income	105 372	21 824
Weighted average number of ordinary shares in issue ^C	126 327 181	124 067 215
Weighted average number of diluted ordinary shares in issue ^C	126 839 842	124 419 800
Basic earnings per ordinary share (cents)	52.67	15.15
Diluted basic earnings per ordinary share (cents)	52.45	15.11
Headline earnings per ordinary share (cents)	52.67	22.36
Diluted headline earnings per ordinary share (cents)	52.45	22.29

A. Refer to supplementary note E.

B. Trading operating profit comprises sale of goods, rendering of services and directly attributable costs, but excludes finance income and finance costs.

C. Weighted average number of shares net of treasury shares.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2023

R'000	2023	2022
Assets		
Non-Current Assets		
Plant and equipment	52 674	14 170
Right-of-use-asset	16 383	18 230
Goodwill	82 278	52 864
Intangible assets	17 575	20 056
Deferred tax assets	29 494	20 781
	198 404	126 101
Current Assets		
Inventories	115 233	69 849
Trade and other receivables	160 030	113 633
Sundry debtors	–	27 144
Tax receivable	7 040	5 682
Cash and cash equivalents	63 414	41 728
	345 717	258 036
Total Assets	544 121	384 137
Equity and Liabilities		
Equity		
<i>Equity attributable to owners of the Company</i>		
Share capital	6	6
Share premium	224 777	227 962
Share-based payment reserve	9 512	(5 176)
Foreign currency translation reserve	40 910	2 071
Accumulated profit	112 346	45 813
Total equity	387 551	270 676
Liabilities		
Non-Current Liabilities		
Loans and borrowings	9 876	2 115
Lease liabilities	12 449	13 387
Deferred tax liabilities	8 697	3 991
	31 022	19 493
Current Liabilities		
Loans and borrowings	4 468	1 117
Lease liabilities	4 962	5 910
Trade and other payables	106 566	80 585
Bank Overdraft	–	5 894
Tax payable	9 552	462
	125 548	93 968
Total Liabilities	156 570	113 461
Total Equity and Liabilities	544 121	384 137

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

R'000	Share capital	Share premium	Share-based payment reserve	Foreign currency translation reserve	Accumulated profit	Total Equity
At 30 June 2021	6	209 286	26 073	(955)	27 015	261 425
Total comprehensive income for the year:						
– Profit for the year	-	-	-	3 026	18 798	18 798
– Foreign currency translation reserve	-	-	-	3 026	-	3 026
Share-based payment – option charge	-	-	1 468	-	-	1 468
Share-options exercised on net basis	-	-	(32 717)	-	-	(32 717)
Movement in treasury shares	*	18 676	-	-	-	18 676
At 30 June 2022	6	227 962	(5 176)	2 071	45 813	270 676
Total comprehensive income for the year:						
– Profit for the year	-	-	-	38 839	66 533	105 372
– Foreign currency translation reserve	-	-	-	38 839	-	38 839
Share-based payment – option charge	-	-	14 688	-	-	14 688
Shares repurchased	*	(1 928)	-	-	-	(1 928)
Movement in treasury shares	*	(1 257)	-	-	-	(1 257)
At 30 June 2023	6	224 777	9 512	40 910	112 346	387 551

* Nominal amount – amount smaller than R1 000.



SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

R'000	2023	2022
Cash flows from operating activities		
Cash generated from operations	76 772	1 081
Finance income	1 220	439
Finance cost	(791)	(190)
Tax paid	(14 106)	(5 982)
Net cash flow from operating activities	63 095	(4 652)
Cash flows from investing activities		
Additions to plant and equipment	(15 885)	(6 362)
Additions to intangible assets	(842)	(778)
Additions to Right of use	(1 547)	-
Disposal of Right of use	144	-
Prepayment for acquisition of subsidiary	-	(27 144)
Acquisition of subsidiary	(13 248)	-
Net cash flow used in investing activities	(31 378)	(34 284)
Cash flows from financing activities		
Increase in loans and borrowings	2 232	1 312
Shares repurchased	(1 928)	-
Net (increase) in treasury shares – LTIP	(1 257)	(14 042)
Payment of lease liabilities	(2 441)	(5 626)
Net cash flow used in financing activities	(3 394)	(18 356)
Net increase/(decrease) in cash and cash equivalents for the year	28 323	(57 292)
Cash and cash equivalents at beginning of the year	35 834	93 177
Effect of exchange rate movement on cash balances	(743)	(51)
Total cash and cash equivalents at end of the year	63 414	35 834

SEGMENTAL ANALYSIS

R'000	2023	2022
Segmental revenue		
Alaris Antennas	168 218	147 141
Alaris COJOT	123 729	78 784
Alaris mWAVE	184 835	70 484
Alaris Linwave	135 051	97 678
Alaris Kuhne	51 787	-
Inter-segmental	(99 243)	(41 074)
Group	564 377	353 013
Earnings before interest, tax, depreciation and amortisation (EBITDA) ^A		
Alaris Antennas	41 355	40 569
Alaris COJOT	38 258	21 710
Alaris mWAVE	28 085	(2 590)
Alaris Linwave	16 363	9 434
Alaris Kuhne	3 066	-
Corporate and consolidation	(25 402)	(21 120)
Group	101 725	48 003
Profit for the period		
Alaris Antennas	29 399	28 669
Alaris COJOT	27 757	15 958
Alaris mWAVE	18 183	(2 747)
Alaris Linwave	11 758	9 842
Alaris Kuhne	300	-
Corporate and consolidation	(20 863)	(32 924)
Group	66 533	18 798
Normalised earnings after tax for the period ^B		
Alaris Antennas	29 399	28 669
Alaris COJOT	27 757	17 647
Alaris mWAVE	18 183	(2 747)
Alaris Linwave	11 758	9 859
Alaris Kuhne	1 695	-
Corporate and consolidation	(19 062)	(18 215)
Group	69 729	35 213

- A. EBITDA is trading operating profit per the Statement of Profit or Loss and excludes depreciation, amortization and impairments.
- B. Normalised earnings, as determined by the Alaris Group, is calculated for the current year by adjusting profit for the legal and consulting fees for acquisitions and the delisting from the JSE as well as impairment in subsidiaries.



SEGMENTAL ASSETS AND LIABILITIES

Segmental Assets and Liabilities

Segmental Assets	2023	2022
Alaris Antennas	139 190	100 249
Alaris COJOT	125 910	54 694
Alaris mWAVE	117 824	50 934
Alaris Linwave	120 511	96 466
Alaris Kuhne	41 822	-
Corporate & consolidation	(1 136)	81 794
Group	544 121	384 137
Segment Liabilities		
Alaris Antennas	(35 732)	(31 468)
Alaris COJOT	(34 270)	(17 577)
Alaris mWAVE	(59 380)	(6 976)
Alaris Linwave	(50 060)	(50 003)
Alaris Kuhne	(8 190)	-
Corporate & consolidation	31 062	(7 437)
Group	(156 570)	(113 461)

RECONCILIATION OF BASIC EARNINGS TO NORMALISED EARNINGS

R'000	2023	2022
Profit from operations for the year	66 533	18 798
Restructure costs	1 354	-
Legal and consulting costs for acquisitions	447	3 084
COVID Grant repayable - Kuhne	1 395	-
Investment impairment (mWave)	-	8 938
Cost to delist from the JSE	-	4 393
Normalised earnings ^A	69 729	35 213
Alaris Antennas	29 399	28 669
Alaris COJOT	27 757	17 647
Alaris mWAVE	18 183	(2 747)
Alaris Linwave	11 758	9 859
Alaris Kuhne	1 695	-
Corporate and consolidation ^B	(19 062)	(18 215)
Weighted average number of ordinary shares in issue	126 327 181	124 067 215
Normalised earnings per ordinary share (cents)	55.20	28.38

- A. Normalised earnings, as determined by the Alaris Group, is calculated for the current year by adjusting profit for the legal and consulting fees for acquisitions and the delisting from the JSE as well as impairment in subsidiaries.
- B. Costs relating to shared services, fees associated with being a listed company, net foreign exchange gains/losses and costs of the incentive share options of group executives are included in this segment. Net funding costs are also included in the segment.

SUPPLEMENTARY NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

A. FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE

The carrying values of other financial assets and liabilities, trade and other receivables, trade and other payables approximate their fair value due to it being short-term in nature. The Group measures currency futures at fair value using inputs as described in level 1 of the fair value hierarchy. The carrying value of loans and borrowings approximate their fair value as the instruments carry a variable rate and management has assessed at 30 June 2023, that the loans given originally are still market related should a similar transaction be entered into at 30 June 2023.

B. STATEMENT OF COMPLIANCE

Alaris Holdings Limited is a South African registered company. These summarised consolidated financial statements comprise of the Company and its subsidiaries.

The directors take full responsibility for the preparation of the report and the summarised consolidated financial information has been extracted from the underlying consolidated financial statements. This summarised report is a summary from audited information but is in itself not audited. The Board approved the Group annual financial statements on 10 October 2023.

C. BASIS OF PREPARATION

The summarised consolidated financial statements are prepared in accordance with the requirements of the Companies Act of South Africa, Act 71 of 2008, as amended, applicable to summarised financial statements. The summarised reports are prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS); the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 – Interim Financial Reporting.

The accounting policies applied in the preparation of the audited consolidated financial statements, from which the summarised consolidated financial statements were derived, are in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated financial statements.

The summarised consolidated financial statements have been presented on the historical cost basis except for the currency futures, which are measured at fair value. These results are presented in Rand, rounded to the nearest thousand, which is the functional currency of Alaris and the Group presentation currency. These results incorporate the financial statements of the Company, its subsidiaries and entities that are controlled by the Group. Results of subsidiaries are included from the effective date of acquisition up to the effective date of disposal. All significant transactions and balances between Group entities are eliminated on consolidation.

The summarised consolidated financial statements were prepared under the supervision of the Group Chief Financial Officer, Chris Buckenham.

D. REPORT OF THE INDEPENDENT AUDITORS

The summarised consolidated financial statements are extracted from the audited consolidated financial statements but are themselves not audited. The financial statements were audited by KPMG Inc., which expressed an unmodified opinion thereon.

The audited financial statements and the auditor's report thereon are available for inspection at the Company's registered office. The Company's directors take full responsibility for the preparation of the summarised report and for the financial information having been extracted correctly from the underlying financial statements.

The summarised consolidated financial statements do not include all of the disclosures required for full financial statements and should be read in conjunction with the consolidated annual financial statements for the year ended 30 June 2023.



E. REVENUE

	2023 R'000	2022 R'000
Fully configured products *	453 590	311 021
Newly developed products **	110 787	41 992
	564 377	353 013

* R0 million (2022: R2.6 million) of the revenue consists of revenue over time whereas the rest of the revenue consists of revenue at a point in time.

** R111 million (2022: 41.99 million) of the revenue consists of revenue over time whereas the rest of the revenue consists of revenue at a point in time.

Geographical information

Alaris Antennas operates its manufacturing, research & development and sales offices from South Africa. COJOT has its operations in Europe. mWAVE operates from the United States of America. Linwave operates from the United Kingdom. Kuhne operates from Europe. The Corporate & Consolidation segment is based in South Africa.

The geographic information analyses the Group's revenue by region of operating activity. In presenting the geographic information, segment revenue is based on the geographic location of the customers.

R'000	2023 Amount	2023 %	2022 Amount	2022 %
REVENUE				
Total	564 377	100%	353 013	100%
Americas	195 708	24%	79 199	22%
Asia, Middle East, Australia	79 168	20%	74 631	21%
Europe	134 440	28%	102 278	29%
United Kingdom	135 347	22%	79 608	23%
South Africa	19 714	6%	17 297	5%

F. RECONCILIATION FROM EARNINGS TO HEADLINE EARNINGS:

	Audited June 2023	Audited June 2022
Profit for the year	66 533	18 798
Basic earnings	66 533	18 798
Impairment of subsidiary	-	8 938
Headline earnings	66 533	27 736
Weighted average number of ordinary shares in issue	126 327 181	124 067 215
Shares in issue net of treasury shares	126 311 798	126 945 634
Basic earnings per ordinary share (cents)	52.67	15.15
Headline earnings per ordinary share (cents)	52.67	22.36

G. EXCHANGE RATES USED FOR CONVERSION OF FOREIGN ITEMS

Exchange rates used for conversion of foreign items were:

Closing exchange rate used for conversion of foreign items were:	2023	2022
USD	18.92	16.25
EUR	20.59	16.97
GBP	23.89	19.74
Average exchange rates used during the year		
USD	17.77	15.21
EUR	18.60	17.15
GBP	21.39	20.24

* Foreign currency ("FC")

H. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies applied in the preparation of the summarised consolidated financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements.

The following standards and interpretations are in issue but not yet effective:

Standard/Interpretation	Effective date Periods beginning on or after	Expected impact
IFRS 16 amendment – Leases on sale and leaseback	1 January 2024	The impact of the standard is not expected to have a material impact on the financial statements
IAS 1 amendment – Non-current liabilities with covenants	1 January 2024	The impact of the standard is not expected to have a material impact on the financial statements
IAS 1 amendment – Non-current liabilities with covenants	1 January 2024	The impact of the standard is not expected to have a material impact on the financial statements

I. SUBSEQUENT EVENTS

On the 4 August 2023, Alaris Antennas (Pty) Ltd entered into a new 5 year lease agreement with the lessor, effective from the 1 August 2023. Alaris has a guarantee with the bank of R505,830 in favour of the lessor for the duration of the lease.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.



J. GOING CONCERN

The Group generated a net profit for the year to 30 June 2023 of R67 million. At that date, the Group had cash and cash equivalents of R63 million. The current assets exceeded current liabilities by R220 million.

The consolidated financial statements for the year ended 30 June 2023 have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

K. DIVIDENDS

The Group evaluates the payment of a dividend on a regular basis with the intention of becoming a regular dividend payer. However, this has to be assessed carefully against our growth and acquisition strategy.

The growth strategy approved by the Board includes acquisitions and/or mergers. The Board believes that it would be more appropriate for the Group to retain cash to ensure that the Group is best placed to implement its acquisitive growth strategy. Therefore, the Board has resolved not to declare a dividend for the financial year ended 30 June 2023 (2022: R0).

L. DIRECTORATE

During the Financial year the following directorate changes occurred:

- Mr P Anania resigned as non-executive director on 1 December 2022
- Ms E Muller resigned as Financial Director and Executive Director on 3 May 2023
- Mr C J Buckenham was appointed as Chief Financial Officer and Prescribed Officer on 11 May 2023.

There were no further changes to the Board during the period under review, up to and including the date of this report.

By order of the Board

Jürgen Dresel
Group Chief Executive Officer

10 October 2023

Gisela Heyman
Executive Director



CORPORATE INFORMATION

ALARIS HOLDINGS LIMITED

Registration Number 1997/011142/06

Directors

Coen Bester - Chair
Jürgen Dresel - CEO
Richard Willis
Chris Neser
Carel van der Merwe
Gisela Heyman
Luke Sparks (alternate to Chris Neser)

Business address and registered office

1 Travertine Avenue,
N1 Business Park,
Old Johannesburg Road,
Centurion, 0157
(Private Bag X4, The Reeds, Pretoria, 0061)

Company Secretary

Fusion Corporate Secretarial Services (Pty) Ltd

Transfer Secretaries / Registrar

Computershare Investor Services Proprietary Limited
Registration Number 2004/003647/07
Rosebank Towers,
15 Biermann Avenue,
Rosebank, Johannesburg, 2196
(PO Box 61051, Marshalltown, 2107)

Auditors

KPMG Inc.

Bankers

Standard Bank

Subsidiary banks:

Androscoggin Bank
Bank of America
Camden National bank
Danske Bank
Deutsche bank (Postbank)
Hypovereinsbank
NatWest Bank
Nordea Bank Abp

www.alaris.tech



SUBSIDIARIES

Alaris Investment Holdings UK Ltd

Company Number 10081803

Directors:
Jürgen Dresel, Chris Buckenham
Marlin Building, 4 Sadler Road,
Lincoln LN6 3RS, United Kingdom

Alaris Antennas

Registration Number 2013/048197/07

Directors:
Gisela Heyman (MD), Jürgen Dresel, Ruenelle Kowlesar,
Carel van der Merwe

1 Travertine Avenue,
N1 Business Park, Old Johannesburg Road,
Centurion, 0157
South Africa

Tel +27 (0)11 034 5300

Alaris COJOT

Registration Number 0620465-3

Directors:
Samu Lentonen, Jürgen Dresel, Herbert Bauer
Päivänkakkaratie 10
02270 Espoo
Finland

Tel +358 (0) 9 452 2234

Alaris mWAVE

Directors:
Jim Detert, Jürgen Dresel, Peter Anania
33R Main Street, Unit 1,
Windham, ME 04062
USA

Tel +1 (207) 892 0011

Alaris USA

VP: Ralph Prigge
33R Main Street, Unit 1,
Windham, ME 04062
USA

Tel +1 (207) 517 5304

Alaris Linwave

Company Number 04478971

Directors:
Ian Duke, Vice Admiral Robert Cooling,
Jürgen Dresel

Marlin Building, 4 Sadler Road,
Lincoln LN6 3RS, United Kingdom
Tel +44 (0) 1522 681811

Alaris Kuhne

Registration Number: HRB 3350

Directors:
Gustav Wenhold, Herbert Bauer, Jürgen Dresel, Ian Duke
Scheibenacker 3
95180 Berg, Germany
Tel +49 (0) 9293 - 800 640



consists of:



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1 Travertine Avenue,
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