



**INTERIM
RESULTS**
FOR THE SIX MONTHS
ENDED 31 DECEMBER

2023



Alaris Holdings Limited

Incorporated in the Republic of South Africa

(Registration number 1997/011142/06)

("Alaris" or the "Company" or together with its subsidiaries, the "Group").

These consolidated interim unaudited Financial Statements for the six months (half year) ended 31 December 2023 were prepared in accordance with IFRS standards and the requirements of the Companies Act of South Africa.

The summarised interim results were approved by the Board of Directors on 10 April 2024.



SUMMARY:

Revenue increased by **14%** from R223.2m to R255.1m

Profit after tax decreased by **66%** from R27.3m to R9.2m

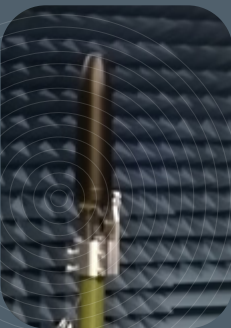
Normalised earnings per share decreased by **66%** from 22.04 cents to 7.56 cents

- Note: Results are compared to the first six months of the previous financial year.
- Unaudited results presented for the six months ended 31 December 2023 (the "period").

ALARIS – THE RF TECHNOLOGY GROUP

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. Alaris delivers technologically advanced solutions and products to various market 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 comprises:



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Alaris Antennas, established in 1997 and based in Centurion, South Africa (“SA”), 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. Alaris Antennas serves a global clientele of system integrators, frequency regulators, and homeland security experts across the Americas, Europe, Asia, and beyond.

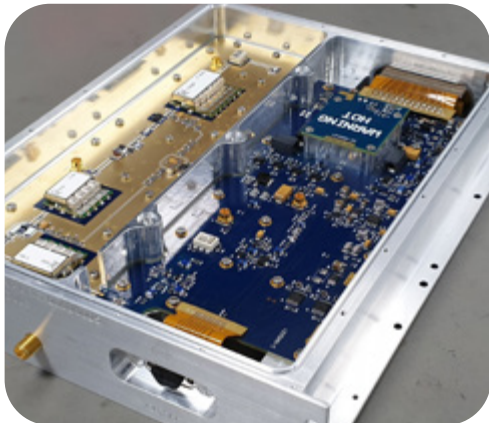
Alaris COJOT founded in 1986 and located in Espoo, Finland, serves military and public safety markets globally. With more than 35 years of experience, the company designs, develops and manufactures innovative broadband antennas that improve the connectivity, coverage and competitiveness of radio equipment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

Alaris mWAVE based in Windham, Maine in the United States (“US”), is a leading global provider of advanced custom and commercial microwave and millimetre-wave antenna solutions. Established in 2004, Alaris mWAVE designs and manufactures standard and custom antennas, feeds and components for commercial and government applications.

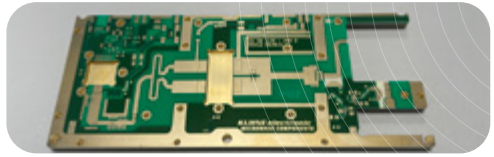
Alaris USA trading as a division of mWave and based in Windham, Maine, sells and supports specialised antennas and other RF-related products designed by the Alaris Group (excluding Alaris mWAVE), to customers in North America. Its products are used in the RF communication, frequency spectrum monitoring, 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 founded in 2003 and based in Lincoln in the United Kingdom (“UK”) 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. Alaris 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 technological advantage in the marketplace.

Alaris Kuhne founded in 1994 and based in Berg, Bavaria, Germany, is an RF and Microwave electronics engineering company, which develops, manufactures, and sells subsystems, 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.



BUSINESS OVERVIEW AND PROSPECTS



The **Alaris Group** experienced a subdued first half of its 2024 financial year (FY24). Despite this, revenue increased by 14% from R223 million to R255 million in the six months to 31 December 2023, however profit after tax decreased by 66% from R27.3m to R9.2m.

In the same period gross margins reduced by about 3% attributing to the lower profit. The reduced margin is mainly resulting from a project at mWAVE, due to the project overrunning and higher costs than initially projected. In addition, the project also absorbed most of the capacity at mWAVE which impacted the manufacturing and delivery of other projects. This brought forth a significant loss at mWAVE in the period.

The cost base of the Group has been increased to accommodate and sustain the higher trading activity seen in the 2023 financial year (FY23) and expected through FY24 and beyond. Due to a significant open order book to execute on, a number of staff have been employed to support the process of delivery of the higher order value, compared to the previous comparative period. This was undertaken to gear up for the larger projects in the pipeline. The deteriorating exchange rates and salary increases linked to inflation impacted margins as well.

Alaris has experienced a significant increase in sales orders, surpassing expectations and indicating a robust demand for its products and services. Innovation is key to the growth strategy at Alaris and many development projects were concluded successfully, whilst a number of new developments are in the pipeline. New products were successfully deployed, assisting in an increased sales order intake and market share. Orders on hand consist of valuable contracts, showcasing a strong market position and confirms the trust our clients place in our capabilities. This bodes well for the second half of the year, providing a solid foundation for sustained future growth.

Although the revenue numbers for the first six months of this financial year are below our own expectations, the financial performance of the Group remains solid. This underscores the effectiveness of our strategic planning. It reflects the resilience of the Alaris business model and the successful adaptation to market dynamics.

However, the positives were accompanied by a couple of challenges. We were confronted with increased lead times for some of the critical components across our subsidiaries, leading to delays in the manufacturing processes. This in turn, has impacted the timely delivery of orders. Our management teams are actively addressing this issue through streamlined supply chain management and fostering closer collaborations with suppliers to mitigate these delays where at all possible.

The longer lead times for critical components have, unfortunately, resulted in extended delivery schedules for some of our key projects. This has prompted our teams to reassess production timelines which are communicated transparently with our clients to manage expectations. While we envisage this challenge is temporary, we are implementing measures to minimize the impact on the Group's overall performance.

Another result of delayed outputs is increased inventory levels and the consequential impact on cash flow at some of our subsidiaries, however, at Group level our cash reserves increased. The delays and increased working capital with components held to order, required a more in-depth management of our cashflows. While the underlying profitability remains robust, managing working capital and cashflows will remain a key focus area in the second half of this financial year.

As reflected in our previous report, the industry is experiencing difficulties in finding RF resources globally. The Group has made a significant effort to increase its engineering expertise on various fronts. It is therefore with great pleasure that as a Group we have welcomed a number of new engineering employees to our teams worldwide, addressing our increasing demand and bolstering our capacity for development projects.

These skilled individuals bring fresh perspectives and expertise, enhancing our capabilities to take on larger and more complex development projects and initiatives. The strategic expansion aligns with our commitment to innovation and customer satisfaction. This also reflects in our increased cost base for the first half, where we would anticipate seeing returns commencing in the second half and beyond.

Innovation is key to the growth strategy at Alaris and several development projects were concluded successfully in the period. 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.

The first six months of our 2024 financial year provides a nuanced picture of our Company's performance. While we celebrate the successes marked by significant sales orders, valuable order books, and a skilled workforce, we are equally committed to addressing challenges such as cash flow, manufacturing delays, and longer lead times. Some internal changes have been necessitated with a negative impact on the first half results, these changes will continue in the second half. Though significant, short term issues are seen as opportunities for improvement and growth, and the Group remains steadfast in its commitment to delivering value to stakeholders. The second half of the fiscal year will witness continued and focussed efforts to overcome these hurdles and further solidify our position in the market and the Group's future success.



The **united brands of Alaris**, an initiative that brought an improved focus on a cohesive brand strategy, was implemented in the previous financial year but concluded and launched in this period. The project proved to be highly successful, as our brand awareness increased among our target audience during the last couple of months whilst our recruitment drive and market awareness has benefited remarkably.

In line with the strategy for increasing global territory, the Group's expansion project remains an ongoing initiative. This is a significant step and a number of requirements from the SA authorities need to be adhered to. Discussions with the SA authorities are ongoing as we seek to achieve the Group's goals and ensure a future platform that will maximise the investment and stakeholder value for all parties.

Looking ahead, the executive team remains optimistic about the future of our Group. With all the processes in place for the second half of the financial year, as well as the solid order book, the Group is still on track to achieve objectives set for the year. However management also see further challenges through the second half and additional customer driven delays, adding to the challenge. The Group is gearing for the future and as a result FY24 may not see growth in the profitability of recent periods, however Management believes FY25 and beyond will benefit.

The past six months have been a testament to the 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 defines Alaris.



Alaris Antennas started the FY24 fiscal off with a strong order book, building on the successful 2023 financial year. The results for the Period were on par with the business' forecast, with revenue increasing by 36.9% from R63m to R86m and PAT increasing significantly by 72% from R7.4m to R12.7m in the comparative period.

These results are based on higher volume orders being received and various projects which have been awarded to its customers in the naval market. In response to the higher demand, all effort was made to manage production, supply chain and the quality of manufacturing to deliver quality products on time.

Furthermore, significant strides have been achieved in advancing our larger direction finding opportunities and hence 11 new product designs have been added to our Direction Finding (DF) portfolio in the last 12 months. The submarine development project, secured in the preceding fiscal period, has also made commendable progress. The escalating demand for the Counter-Unmanned Aircraft Systems (C-UAS) products prompted extensive efforts from our Research and Development teams to meet these requirements. With the support of our Group Innovation Funding and their Business Development colleagues, the R&D team has made progress with the development of an advanced solution for unmanned airborne platforms, garnering considerable interest from customers.

The North American market is gradually expanding, with Alaris USA achieving a strong performance in the first half, successfully securing orders for direction finding solutions and high-power Log-Periodic Dipole Array (LPDA) antennas.

Alaris Antennas is currently experiencing its highest order book value for DF development projects since its establishment, presenting both opportunities and challenges. Resource constraints were effectively managed, leveraging the new testing chamber added in the previous year, as well as new testing technology. To cope with heightened demand, additional engineers were strategically integrated into the team. The ongoing development of intricate products has overcome technical hurdles, leading to the generation of new patents and advancements in DF principles, positioning us as trusted advisors to our customers in DF technology.

Securing orders spanning over multiple years has fortified the order book for the second half, and a backlog for FY25 is already taking shape. Internal product developments will persist throughout the remainder of the year.

With a solid order book and promising opportunities extending beyond the current fiscal year, Alaris Antennas management anticipates a successful second half of the 2024 financial year.



Alaris COJOT started the new fiscal year with a healthy order backlog and reported a stable increase in revenue of 27% from R46.5m to R59.2m. Several challenges were experienced with order intake moving out, as well as raw material price increases. As a result PAT decreased by 6% from R11.3m in H1 FY23 to R10.6m in the Period.

Amidst the ongoing global component scarcity, which initially posed challenges and led to delays in major client deliveries throughout FY22 and into FY23, the business witnessed a subsequent improvement in the latter part of FY23. Raw materials and component prices continued their upward trajectory, accompanied by extended lead times. To proactively manage risks, Alaris COJOT implemented measured price increments to recover these inflationary pressures. This approach, coupled with other risk mitigation processes, is expected to maintain profitability.

Progress was made in the development and manufacturing of several steered beam antenna (SBA) sales projects during the period. Under the guidance of a recently appointed Chief Technical Officer and propelled by a highly skilled engineering team, noteworthy milestones were achieved. The team collaborates closely with customers to deliver advanced technological solutions tailored to their specific requirements.

Central to the growth strategy is the strategic product portfolio of smart antennas, which includes SBAs and MIDAS products, providing a unique competitive advantage to our customers. This portfolio is poised to make a substantial contribution to organic growth, strengthening the businesses market position.

Alaris COJOT management expresses optimism about the remainder of the 2024 financial year and remains dedicated to leveraging our business strengths for sustainable growth and profitability.

Alaris mWAVE faced challenging financial results in the first half of FY24, the business found itself grappling with a confluence of factors that adversely impacted performance. Although revenue increased by 19% from R62.4m to R74.2m, PAT was impacted negatively and decreased by 171% from R7.8m to a loss of R5.5m.

Orders were unexpectedly delayed or shifted, manufacturing processes faced disruptions, and the business struggled with profit margins. These issues necessitated a swift and strategic response to reverse the downturn.

Recognising the urgency of the situation, the Group leadership initiated a comprehensive restructuring plan. This multifaceted approach aimed to address the root causes of the financial challenges and implement effective solutions and to align the workforce with the current demands of the business and optimise operational efficiency.

Additionally, Alaris mWAVE took a proactive stance towards the supply chain, optimising it to enhance responsiveness and flexibility. This optimisation involved the diversifying of suppliers and implementing robust risk management strategies to mitigate potential disruptions. By fortifying the supply chain, a more agile and adaptive operational model has been forged.

Operational processes were also under scrutiny during this period of transformation. Recognising the need for agility and cost-effectiveness, a comprehensive review of the operational workflows was undertaken. Subsequent changes are being implemented to streamline processes, reduce inefficiencies, and enhance overall operational effectiveness.

A new Managing Director, Tom Casale, was appointed bringing a wealth of knowledge and relevant experience with him to the business. Tom holds a Master's degree in Electrical Engineering and has over forty years of experience in various leadership positions at technology-driven design and manufacturing companies.

Whilst the journey towards financial recovery is challenging, our commitment to strategic restructuring and operational optimisation has positioned the business on a path toward resilience and sustainability. The proactive measures taken, from workforce adjustments to supply chain enhancements and operational refinements, reflect a determined effort to navigate through adversity and emerge stronger on the other side.

Based on all the interventions and prospects in the pipeline, the Group Executive is confident that the results for the latter half of the year will show a more positive outcome. Though Alaris mWAVE suffered a setback in this reporting period, there's a noticeable shift toward brighter prospects on the horizon. Initial discussions with our valued clients have sparked optimism, with indications of strategic product needs that could significantly bolster revenue forecasts for the 2025 financial year. It's a reassuring sign of progress, and Alaris mWAVE is primed to capitalise on these opportunities with confidence and a touch of enthusiasm.

Alaris USA delivered consistent financial performance in the first half of the period, achieving comparable results to the same period in FY23 in terms of revenue and PAT. Throughout FY23, the business team secured significant orders, laying a robust foundation for future growth. Acting as trusted advisors to key clients and fostering close partnerships, orders were obtained for compact DF antennas integrated into larger programs.

These sizable programs establish a stable platform for the coming years, bolstering Alaris USA's ability to secure business with both existing and prospective clients. Promising opportunities are on the horizon, particularly in the areas of smart antennas with integrated RF electronics, one-channel DF antennas, and airborne DF products. Collaborating with key partners, the team is actively involved in developing solutions tailored for specific projects and large programs.

The first half of FY24 has shown a positive upswing in the USA market, with significant orders poised for closure. The US, boasting the largest defence budget and a substantial share of the global electronic warfare market, remains a strategic focal point for the Group. Leveraging the cutting-edge products offered by subsidiaries in the Group, Alaris USA is well-positioned to capitalise on the immense potential in this region, and the Group's commitment to expansion in the US market remains unwavering.

During the first six months of the year, **Alaris Linwave** continued to see growth in specific sectors of their industry reporting an increase in revenue of 11% from R59.4m to R65.9m. Through FY23 there had been a general downturn in demand for Microwave Source Module (MSM)-related products within the medical markets. This trend has persisted, exerting an impact on the current reporting period. This has led to manufacturing delays and the deferral of orders. The situation was further compounded by prolonged component lead times from certain suppliers and challenges in the supply chain, particularly related to the supply of Gunn diodes and key semiconductor components used on naval radar systems, contributing to additional delivery setbacks. The initial phase of the period witnessed a slow start in revenues, accompanied by a decline in profit margins impacting the business results, with profit after tax decreasing by 42% from R7.1m H1 FY23 to R4.1m.

However, amidst these challenges, a positive turn emerged during the latter two months of the first half. Significant orders were successfully secured with key long-standing customers, particularly in the aerospace and defence sectors. These achievements not only forecast a favourable second half of the year but have also established a significant order backlog for FY25, signalling a promising outlook.

Throughout the first half, noteworthy milestones were achieved in the development of complex projects, showcasing the highly skilled engineering team's commitment to innovation and close collaboration with clients. The strategic investment in resources, including nurturing young talent through the business apprenticeship and graduate programs, has proven

fruitful. These emerging talents are now actively contributing to the support of the experienced engineering team and playing integral roles in the manufacturing process of the products.

Looking ahead, the management team expresses confidence in the second half of the financial year, although the delays referenced above will not be fully overcome. The sustained demand for a wide range of radar products, coupled with an upswing in the demand for defence and aerospace-related items, reinforces this optimism. To capitalise on these opportunities, the implementation of operational processes is underway to ensure the timely completion of development projects, closer tracking of component lead times, and a concerted effort to augment profit margins. These initiatives are poised to enhance overall operational efficiency and financial performance to ensure sustained success in future.

Alaris Kuhne had to navigate between opportunities and challenges in the first half of the fiscal year. Revenue achieved for the six month period amounted to R19.3m, which is similar to the first half of FY23. Growth proved to be slower than anticipated whilst a new business development focus was developed in the business. For the first half of the year a loss after tax of R1.3m is reported comparing to a profit after tax of R0.3m FY23.

However, during the latter part of the period, a positive shift occurred as valuable orders were closed, signifying a promising trend. The current outlook is optimistic, with a pipeline of significant opportunities and the onboarding of new customers. Notably, the development of high-quality amplifiers by the engineering team has garnered substantial interest, resulting in orders from key clients, and the potential for additional orders is on the horizon.

As resources became available, Alaris Kuhne actively participated in several cross-group projects, contributing to the development and manufacturing of components for Alaris Antennas and Alaris COJOT. This collaborative approach has not only diversified the business portfolio, but also strengthened its relationships within the industry.

The business is proactively undertaking a comprehensive review of its processes to mitigate operational risks. Furthermore, efforts to fortify the sales and business development team to enhance sales activities are underway, reflecting a commitment to overcoming the challenges experienced in the period.

Alaris Kuhne is well positioned for growth in future and the second half of the financial year, with a positive trajectory supported by valuable orders, innovative product developments, and ongoing initiatives to strengthen operational and sales functions.



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

R'000	Unaudited six months ended		Audited
	December 2023	December 2022	June 2023
Revenue ^A	255 058	223 192	564 377
Cost of sales	(105 798)	(86 018)	(174 636)
Gross profit	149 260	137 174	389 741
Other income	(303)	952	1 224
Operating expenses	(138 438)	(105 851)	(309 937)
Trading operating profit ^B	10 519	32 275	81 028
Finance income	1 198	543	1 350
Finance costs	(892)	(784)	(1 346)
Profit before taxation	10 825	32 034	81 032
Taxation	(1 601)	(4 712)	(14 499)
Profit for the period	9 224	27 322	66 533
Other comprehensive income:			
Items that may be reclassified subsequently to profit or (loss):			
Foreign currency translation reserve	(1 197)	9 374	38 839
Gross amount	(1 474)	11 074	45 348
Taxation	277	(1 700)	(6 509)
Total comprehensive income	8 027	36 696	105 372
Weighted average number of ordinary shares in issue	126 305 859	126 799 736	126 327 181
Weighted average number of diluted ordinary shares in issue	126 808 075	127 298 219	126 839 842
Basic earnings per ordinary share (cents)	7.30	21.55	52.67
Diluted basic earnings per ordinary share (cents)	7.27	21.46	52.45

A. Refer to supplementary note 4.

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



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

R'000	Unaudited six months ended		Audited
	December 2023	December 2022	June 2023
Assets			
Non-Current Assets			
Property, plant and equipment	54 063	41 617	52 674
Right of Use Assets	25 098	15 950	16 383
Goodwill	82 251	72 949	82 278
Intangible assets	14 594	18 359	17 575
Deferred tax assets	24 361	19 780	29 494
	200 367	168 655	198 404
Current Assets			
Inventories	119 313	105 979	115 233
Trade and other receivables	158 548	99 439	16 030
Tax receivable	14 471	7 308	7 040
Cash and cash equivalents	67 831	53 408	63 414
	360 163	266 134	345 717
Total Assets	560 530	434 789	544 121
Equity and Liabilities			
Equity			
Equity attributable to owners of the Company			
Share capital	6	6	6
Share premium	218 809	227 463	224 777
Share-based payment reserve	8 880	(4 640)	9 512
Foreign currency translation reserve	39 713	11 445	40 910
Accumulated profit	128 024	73 135	112 346
Total equity	395 432	307 409	387 551
Liabilities			
Non-Current Liabilities			
Loans and borrowings	9 504	8 437	9 876
Lease liabilities	21 875	11 977	12 449
Deferred tax liabilities	8 889	5 111	8 697
	40 268	25 525	31 022
Current Liabilities			
Loans and borrowings	3 835	4 343	4 468
Lease liabilities	4 384	5 017	4 962
Trade and other payables	116 469	89 114	106 566
Bank overdraft	–	2 234	–
Contingent consideration liability ^A	–	344	–
Tax payable	142	803	9 552
	124 830	101 855	125 548
Total Liabilities	165 098	127 380	156 570
Total Equity and Liabilities	560 530	434 789	544 121

A. Relating to the acquisition of Alaris Kuhne, previously reported as a business combination.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended 31 December R'000	Share capital	Share premium	Share based payment reserve	Foreign currency translation reserve	Accumulated profit	Total equity
Balance at 1 July 2023	6	224 777	9 512	40 910	112 346	387 551
Total comprehensive income for the period:	-	-	-	(1 197)	9 224	8 027
- Profit for the period	-	-	-	-	9 224	9 224
- Foreign currency translation reserve	-	-	-	(1 197)	-	(1 197)
Share based payment charge for existing options	-	-	8 700	-	-	8 700
Nil cost share options exercised	-	-	(7 285)	-	-	(7 285)
Repurchase of shares	*	(129)	-	-	-	(129)
Movement in treasury shares	-	(5 839)	(2 047)	-	6 454	(1 432)
Balance at 31 December 2023	6	218 809	8 880	39 713	128 024	395 432
Balance at 1 July 2022	6	227 962	(5 176)	2 071	45 813	270 676
Total comprehensive income for the period:	-	-	-	9 374	27 322	36 733
- Profit for the period	-	-	-	-	27 322	27 322
- Foreign currency translation reserve	-	-	-	9 374	-	9 374
Share-based payment charge for existing options	-	-	536	-	-	536
Movement in treasury shares	*	(499)	-	-	-	(499)
Balance at 31 December 2022	6	227 463	(4 640)	11 445	73 135	307 409
Prior year ended 30 June 2023						
Balance at 1 July 2022	6	227 962	(5 176)	2 071	45 813	270 676
Total comprehensive income for the year:	-	-	-	38 839	66 533	105 372
- Profit for the year	-	-	-	-	66 533	66 533
- 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)
Balance at 30 June 2023	6	224 777	9 512	40 910	112 346	387 551

* Nominal amount – value smaller than R1 000.



CONSOLIDATED STATEMENT OF CASH FLOWS

R'000	Unaudited six months ended		Audited
	December 2023	December 2022	June 2023
Cash flows from operating activities			
Profit before taxation	10 825	32 034	81 032
Adjusted for non-cash items	17 286	12 290	52 266
Working capital changes	7 305	(4 133)	(56 526)
Cash generated from operations	35 416	40 191	76 772
Net finance (charges)/income	552	86	429
Taxation (paid)	(13 117)	(4 811)	(14 106)
Net cash generated from operating activities	22 851	35 466	63 095
Cash flows from investing activities			
Additions to property, plant and equipment	(6 117)	(4 453)	(15 885)
Additions to intangible assets	-	(389)	(842)
Additions to Right of Use	-	-	(1 547)
Disposal to Right of Use	-	-	144
Acquisition of subsidiary ^A	-	(13 248)	(13 248)
Net cash flow (used in) investing activities	(6 117)	(18 090)	(31 378)
Cash flows from financing activities			
(Decrease)/Increase in loans and borrowings	(682)	1 399	2 232
Shares repurchased	(129)	-	(1 928)
Net (Decrease) in treasury shares			
– Share Incentive Scheme	(6 669)	(499)	(1 257)
Payment of lease liabilities	(4 171)	(2 663)	(2 441)
Net cash flow used in financing activities	(11 651)	(1 763)	(3 394)
Net increase in cash and cash equivalents for the period	5 083	15 613	28 323
Cash and cash equivalents at beginning of the year	63 414	35 834	35 834
Effect of exchange rate movement on cash balances	(666)	(273)	(743)
Total cash and cash equivalents at end of the period	67 831	51 174	63 414

A. Relating to the acquisition of Alaris Kuhne, previously reported as a business combination.



SEGMENTAL ANALYSIS

R'000	Unaudited six months ended		Audited
	December 2023	December 2022	June 2023
Segmental revenue			
Alaris Antennas	86 233	62 983	168 218
Alaris COJOT	59 243	46 535	123 729
Alaris mWAVE	74 209	62 401	184 835
Alaris Linwave	65 921	59 415	135 051
Alaris Kuhne	19 288	19 643	51 787
Inter-segmental	(49 836)	(27 785)	(99 243)
	255 058	223 192	564 377
Earnings before interest, tax, depreciation and amortisation (EBITDA) ^A			
Alaris Antennas	17 649	11 337	41 355
Alaris COJOT	16 374	15 110	38 258
Alaris mWAVE	(4 543)	10 291	28 085
Alaris Linwave	8 726	9 017	16 363
Alaris Kuhne	(394)	1 339	3 066
Corporate and consolidation	(13 561)	(5 428)	(25 402)
	24 251	41 666	101 725
Profit for the period			
Alaris Antennas	12 724	7 397	29 399
Alaris COJOT	10 645	11 345	27 757
Alaris mWAVE	(5 508)	7 810	18 183
Alaris Linwave	4 106	7 085	11 758
Alaris Kuhne	(1 323)	214	300
Corporate and consolidation	(11 420)	(6 529)	(20 863)
	9 224	27 322	66 533
Normalised earnings after tax for the period ^B			
Alaris Antennas	12 767	7 397	29 399
Alaris COJOT	10 645	11 345	27 757
Alaris mWAVE	(5 361)	7 810	18 183
Alaris Linwave	4 164	7 085	11 758
Alaris Kuhne	(1 323)	214	1 695
Corporate and consolidation	(11 339)	(5 905)	(19 063)
	9 553	27 946	69 729

- A. EBITDA is trading operating profit per the Statement of Profit or Loss and excludes excluding 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, restructuring costs, delisting from the JSE AltX in the prior year costs as well as impairment in subsidiaries.



SEGMENT ASSETS AND LIABILITIES

	Unaudited six months ended		Audited
	December 2023	December 2022	June 2023
Segment Assets			
Alaris Antennas	151 121	93 293	139 190
Alaris COJOT	107 007	84 053	125 910
Alaris mWAVE	80 616	65 455	117 824
Alaris Linwave	117 315	111 722	120 511
Alaris Kuhne	38 444	46 223	41 822
Corporate & consolidation	66 027	34 043	(1 136)
Group	560 530	434 789	544 121
Segment Liabilities			
Alaris Antennas	(48 725)	(19 167)	(35 732)
Alaris COJOT	(26 928)	(23 353)	(34 270)
Alaris mWAVE	(30 525)	(15 021)	(59 380)
Alaris Linwave	(42 651)	(56 349)	(50 060)
Alaris Kuhne	(6 169)	(7 411)	(8 190)
Corporate & consolidation	(10 100)	(6 079)	31 062
Group	(165 098)	(127 380)	(156 570)

RECONCILIATION OF BASIC EARNINGS TO NORMALISED EARNINGS

R'000	Unaudited six months ended		Audited
	December 2023	December 2022	June 2023
Basic earnings attributable to ordinary shareholders	9 224	27 322	66 533
Profit for the year	9 224	27 322	66 533
Legal and consulting costs for acquisitions	-	424	447
Share Incentive Trust ^A	(688)	-	-
Restructure costs	426	200	1 354
COVID support repayable – Alaris Kuhne	-	-	1 395
Other – rebranding / dual running costs	591	-	-
Normalised earnings after tax comprising ^A	9 553	27 946	69 729
Alaris Antennas	12 767	7 397	29 399
Alaris COJOT	10 645	11 345	27 757
Alaris mWAVE	(5 361)	7 810	18 183
Alaris Linwave	4 164	7 085	11 758
Alaris Kuhne	(1 323)	214	1 695
Corporate and consolidation ^B	(11 339)	(5 905)	(19 061)
Weighted average number of ordinary shares in issue	126 305 859	126 799 736	126 327 181
Normalised earnings per share (NEPS)	7.56	22.04	55.20

- A. Normalised earnings, as determined by the Group, is calculated after adjusting for significant one off events or costs or costs associated with structural changes that have no direct impact on the current trading results. During the period the Company concluded the windup of its Share Incentive Trust (SIT), which gave rise to non-recurring income recognition.
- B. Costs relating to shared group services, listed company or equivalent fees, net foreign exchange gains/(losses), costs of the incentive share options of group executives and net funding costs are included within corporate and consolidation.



SUPPLEMENTARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

1. 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 31 December 2023, that the loans given originally are still market related should a similar transaction be entered into at 31 December 2023.

2. STATEMENT OF COMPLIANCE

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

The consolidated interim financial statements for the six months ended 31 December 2023 are prepared in accordance with the International Financial Reporting Standard ("IFRS"), IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa. The accounting policies applied in the preparation of these interim financial statements are in terms of International Financial Reporting Standards ("IFRS") and are consistent with those applied in the previous annual financial statements, except for the changes arising from the adoption of significant new accounting pronouncements which became effective in the current reporting period.

3. BASIS OF PREPARATION

The consolidated interim financial statements have been presented on the historical cost basis except for the currency futures, which are fair valued. These results are presented in Rand, ("R"), rounded to the nearest thousand, which is the functional currency of Alaris and the Group presentation currency. These consolidated interim financial statements incorporate the financial statements of the Company, its subsidiaries and entities that, in substance, 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 directors take full responsibility for the preparation of the report. The consolidated interim financial statements were prepared under the supervision of the Group CFO, Chris Buckenham FCCA. These interim results have not been audited or reviewed by the Group's auditors.

4. REVENUE

R'000	Unaudited six months ended		Audited
	December 2023	December 2022	June 2023
Fully configured products	211 112	196 369	453 590
Newly developed products	43 946	26 823	110 787
	255 058	223 192	564 377



5. 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

6. SUBSEQUENT EVENTS

On 12 January 2024, 2,160,565 new ordinary shares were issued and allotted in satisfaction of the LTIP awards which vested in October 2023. 528,044 treasury shares were utilised and transferred, in part satisfaction, prior to 31 December 2023. Had the transaction have fully completed by 31 December 2023, the following shares in issue would have reported:

	Post share issue	As reported
Ordinary shares in issue	128 965 406	126 804 841

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



7. GOING CONCERN

The Group has generated a net profit for the six months ended December 2023 of R9.2m. At 31 December 2023 the Group had cash and cash equivalents of R67.8m and current assets exceeded current liabilities by R235m.

The directors have assessed the ability of the Group and its subsidiaries to continue as going concerns in the year ahead.

8. DIVIDENDS

No dividend was declared for the period under review (2022: nil).

9. DIRECTORATE

During the period under review and up to the date of this report, there were no changes to the Board.

By order of the Board

Jürgen Dresel
Group Chief Executive Officer

Gisela Heyman
Executive Director

10 April 2024

CORPORATE INFORMATION

ALARIS HOLDINGS LIMITED

(incorporated in the Republic of South Africa)
Registration Number 1997/011142/06

Directors

Coen Bester*^ (Chair)
Jürgen Dresel (Group CEO)
Gisela Heyman
Richard Willis^
Carel van der Merwe*^
Chris Nesor^
Luke Sparks^ (alternate to Chris Nesor)

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

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 (SA)

Subsidiary banks:

Androscoggin Bank
Danske Bank
Deutsche bank (Postbank)
Hypovereinsbank
NatWest Bank
Nordea Bank Abp
Standard Bank (Jersey)

www.alaris.tech

*Independent ^Non-executive



CORPORATE INFORMATION (continued)

SUBSIDIARIES

Alaris Investment Holdings UK Limited

Registration Number 10081803

Directors: Jürgen Dresel, Chris Buckenham

Marlin Building, 4 Sadler Road,
Lincoln LN6 3RS, United Kingdom

Alaris Antennas (Proprietary) Limited

Alaris Antennas

Registration Number 2013/048197/07

Directors Gisela Heyman, 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 Oy

Alaris COJOT

Registration Number 0620465-3

Directors: Samu Lentonen,

Päivänkakkaratie 10
02270 Espoo
Finland
Tel +358 (0) 9 452 2234

mWAVE Industries LLC

Alaris mWAVE

Directors: Jürgen Dresel,
Thomas Casale (appointed 29 Jan 24)
33R Main Street, Unit 1,
Windham, ME 04062. USA
Tel +1 (207) 892 0011

Alaris USA

VP: Ralph Prigge

Tel +1 (207) 517 5304

Linwave Technology Limited

Alaris Linwave

Registration Number 04478971

Directors: Ian Duke, Vice Admiral Robert Cooling^
Jürgen Dresel, Philip Cook

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

Kuhne electronic GmbH

Alaris Kuhne

Registration Number Hof HRB 3350

Directors: Gustav Wenhhold, Ian Duke,
Jürgen Dresel , Herbert Bauer^

3 Scheibenacker
95180 Berg, Germany
Tel +49 (0) 9293 - 800 640

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