UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 31 MARCH 2023

Contents

A. Condensed Interim Consolidated Income Statement and Statement of Comprehensive Income

	The Group					
	2H2023	2H2022	%	**FY2023**	FY2022	%
	US$'000	US$'000	Change	**US$'000**	US$'000	Change
Revenue	**5,089**	3,841	32.5	**7,549**	5,458	38.3
Cost of sales	**(3,030)**	(1,120)	(170.5)	**(3,952)**	(1,683)	(134.8)
Gross profit	**2,059**	2,721	(24.3)	**3,597**	3,775	(4.7)
Other operating income	**35**	561	(93.8)	**41**	627	(93.5)
Selling & distribution expenses	**(324)**	(155)	(109.0)	**(636)**	(317)	(100.6)
Administrative expenses	**(1,489)**	(1,293)	(15.2)	**(2,950)**	(2,442)	(20.8)
Other operating expenses	**(2,423)**	(7,712)	68.6	**(2,843)**	(8,275)	65.6
Loss from operations	**(2,142)**	(5,878)	63.6	**(2,791)**	(6,632)	57.9
Finance expenses	**(190)**	(927)	79.5	**(546)**	(1,266)	56.9
Loss before tax	**(2,332)**	(6,805)	65.7	**(3,337)**	(7,898)	57,7
Taxation	**344**	(65)	N/m	**344**	(65)	N/m
Net loss for the period/year	**(1,988)**	(6,870)	71.1	**(2,993)**	(7,963)	62.4
Other comprehensive income/(loss):						
- Exchange differences arising from translation of foreign operations	**27**	(7)	n/m	**27**	(7)	N/m
Total comprehensive loss for the period/year	**(1,961)**	(6,877)	71.5	**(2,966)**	(7,970)	62.8
Attributable to:						
Equity holders of the Company	**(1,961)**	(6,877)	71.5	**(2,966)**	(7,970)	62.8
Total comprehensive loss for the period/year	**(1,961)**	(6,877)	71.5	**(2,966)**	(7,970)	62.8

Notes:

*"**Company**" denotes 'Addvalue Technologies Ltd'*
*"**Group**" denotes the Company and its subsidiaries*
*"**2H2023**" denotes the second half financial period of the financial year ended 31 March 2023 ("**FY2023**")*
*"**2H2022**" denotes the second half financial period of the financial year ended 31 March 2022("**FY2022**")*
*"**% Change**" denotes increase/(decrease) in the profit or loss item as compared with the comparative figure*
*"**N/m**" denotes 'not meaningful'*

	The Group					
	2H2023	2H2022	%	**FY2023**	FY2022	%
	US$'000	US$'000	Change	**US$'000**	US$'000	Change
Loss before tax was arrived after charging/(crediting):						
Depreciation and amortization	**500**	511	2.2	**1,000**	988	(1.2)
Inventory written off	**392**	432	9.3	**392**	432	9.3
Foreign exchange loss/(gain) (net)	**202**	20	(910.0)	**49**	23	(113.0)
Interest on borrowings	**305**	873	65.1	**524**	1,192	56.0
Allowance for doubtful debts	**41**	6,000	99.3	**41**	6,000	99.3
Share-based payment	**-**	114	N/m	**-**	114	N/m
Fair value loss/(gain) from quoted equity instruments	**248**	(253)	N/m	**248**	(253)	N/m
Fair value loss on RCB	**48**	-	N/m	**48**	-	N/m
Impairment loss on development expenditure	**600**	600	-	**600**	600	-
Gain from extinguishment of convertible loan note	**-**	(260)	N/m	**-**	(260)	N/m

B. Condensed Interim Statements of Financial Position

	The Group		The Company	
	As at 31 Mar 2023 (Unaudited) US$'000	As at 31 Mar 2022 (Audited) US$'000	**As at 31 Mar 2023 (Unaudited) US$'000**	As at 31 Mar 2022 (Audited) US$'000
Non-current assets				
Property, plant and equipment	**550**	473	**-**	-
Subsidiaries	**-**	-	**27,085**	19,549
Intangible assets	**7,973**	8,625	**-**	-
	8,523	9,098	**27,085**	19,549
Current assets				
Inventories	**4,899**	2,851	**-**	-
Trade receivables	**2,229**	1,448	**-**	-
Other receivables, deposits and prepayments	**529**	594	**8**	-
Other investment	**20**	268	**20**	268
Due from subsidiaries (non-trade)	**-**	-	**8,001**	10,328
Cash and bank balances	**151**	632	**1**	1
	7,828	5,793	**8,030**	10,597
Total assets	**16,351**	14,891	**35,115**	30,146
Current liabilities				
Trade payables	**1,773**	641	**-**	-
Other payables and accruals	**2,298**	3,159	**786**	760
Provisions	**178**	125	**160**	121
Borrowings	**485**	5,793	**-**	3,862
Lease liabilities	**86**	96	**-**	-
Contract liabilities	**780**	923	**-**	-
Due to subsidiaries (non-trade)	**-**	-	**510**	560
	5,600	10,737	**1,456**	5,303
Non-current liabilities				
Borrowings	**3,561**	14	**3,561**	-
Lease liabilities	**4**	11	-	-
Deferred tax liabilities	**1,355**	1,699	-	-
	4,920	1,724	**3,561**	-
Total liabilities	**10,520**	12,461	**5,017**	5,303
Net assets	**5,831**	2,430	**30,098**	24,843
Capital and reserves attributable to equity holders				
Share capital	**89,483**	83,116	**89,483**	83,116
Capital reserve	**747**	1,827	**-**	1,080
Statutory reserve	**8**	8	**-**	-
Foreign currency translation	**16**	(11)	**-**	-
Accumulated losses	**(84,423)**	(82,510)	**(59,385)**	(59,353)
Total equity	**5,831**	2,430	**30,098**	24,843

The accompanying notes to the balance sheet:

	The Group	
	As at 31 Mar 2023 US$'000	As at 31 Mar 2022 US$'000
Amount repayable in one year or less or on demand		
Secured	**-**	-
Unsecured	**485**	5,793[(2)]
	485	5,793
Amount repayable after one year		
Unsecured	**3,561[(1)]**	14
Total	**4,046**	5,807

Notes:

(1) Inclusive of the outstanding Renounceable Convertible Bonds (as defined hereinafter)
(2) Inclusive of the outstanding 2019 Convertible Loan Note (as defined hereinafter)

C. Condensed Interim Consolidated Statement of Cash Flows

	The Group	
	FY2023 US$'000	FY2022 US$'000
OPERATING ACTIVITIES		
Loss before income tax	**(3,337)**	(7,898)
Adjustments for:		
Amortisation of intangible assets	**615**	563
Depreciation of property, plant and equipment	**385**	425
Fair value loss/(gain) on quoted equity instruments	**248**	(253)
Fair value loss on RCB	**48**	-
Gain from extinguishment of convertible loan note	**-**	(260)
Allowance for doubtful debt (trade)	**41**	6,000
Interest expense	**524**	1,192
Impairment loss on development expenditure	**600**	600
Inventories written off	**392**	432
Share-based payment	**-**	114
Unrealised foreign exchange loss	**100**	186
Provision	**53**	24
Operating (loss)/profit before changes in working capital	**(331)**	1,125
Changes in working capital		
Inventories	**(2,440)**	(723)
Trade and other receivables	**(756)**	(1,149)
Contract assets	**-**	-
Trade and other payables	**1,337**	753
Contract liabilities	**(143)**	428
CASH (USED IN)/GENERATED FROM OPERATIONS	**(2,333)**	434
Interest income received	**-**	-
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	**(2,333)**	434
INVESTING ACTIVITIES		
Purchase of plant and equipment	**(274)**	(90)
Additions in intangible assets	**(1,351)**	(2,008)
Proceeds from government grants	**788**	1,861
NET CASH USED IN INVESTING ACTIVITIES	**(837)**	(237)
FINANCING ACTIVITIES		
Net proceeds from issue of shares	**3,828**	1,687
Proceeds from borrowings	**4,029**	2,166
Repayment of borrowings	**(4,329)**	(2,885)
Repayment of lease liabilities	**(205)**	(227)
Interest paid	**(634)**	(580)
NET CASH GENERATED FROM FINANCING ACTIVITIES	**2,689**	161
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(481)**	358
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	**632**	274
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	**151**	632

D. Condensed Interim Statement of Changes in Equity

	The Group					
	Share capital US$'000	Capital reserve US$'000	Statutory reserve US$'000	Foreign currency translation reserve US$'000	Accumulated losses US$'000	Total US$'000
Balance at 1 Apr 2022	83,116	1,827	8	(11)	(82,510)	2,430
Loss for the year	-	-	-	-	(2,993)	(2,993)
Other comprehensive income, net of tax	-	-	-	27		27
Total comprehensive income for the year	-	-	-	27	(2,993)	(2,966)
Movement arising from extinguishment of convertible loan note	-	(1,080)	-	-	1,080	-
<u>Contribution by and distribution to owners</u>						
Issuance of new shares: Pursuant to placement shares, net of expenses	2,995	-	-	-	-	2,995
Pursuant to warrant shares	1,721	-	-	-	-	1,721
Pursuant to Optional Subscription Shares	2,097	-	-	-	-	2,097
Share issue expenses	(446)	-	-	-	-	(446)
Balance at 31 Mar 2023	89,483	747	8	16	(84,423)	5,831

	The Group					
	Share capital US$'000	Capital reserve US$'000	Statutory reserve US$'000	Foreign currency translation reserve US$'000	Accumulated losses US$'000	Total US$'000
Balance at 1 Apr 2021	80,578	2,354	8	(4)	(75,074)	7,862
Loss for the year	-	-	-	-	(7,963)	(7,963)
Other comprehensive loss, net of tax	-	-	-	(7)	-	(7)
Total comprehensive income/(loss) for the year	-	-	-	(7)	(7,963)	(7,970)

Movement arising from extinguishment of convertible loan note	-	(527)	-	-	527	-
Contribution by and distribution to owners						
Issuance of new shares: Pursuant to share placement, net of expenses	2,462	-	-	-	-	2,462
Pursuant to performance shares, net of expenses	114	-	-	-	-	114
Share issue expense	(38)	-	-	-	-	(38)
Balance at 31 Mar 2022	83,116	1,827	8	(11)	(82,510)	2,430

	The Company			
	Share capital US$'000	Capital reserve US$'000	Accumulated losses US$'000	Total US$'000
Balance at 1 Apr 2022	83,116	1,080	(59,353)	24,843
Comprehensive loss for the financial year	-	-	(1,112)	(1,112)
Movement arising from extinguishment convertible loan note	-	(1,080)	1,080	-
Issuance of new shares:				
Pursuant to the share placement, net of expenses	2,995	-	-	2,995
Pursuant to warrant shares	1,721	-	-	1,721
Pursuant to Optional Subscription shares	2,097	-	-	2,097
Share issue expenses	(446)	-	-	(446)
Balance at 31 Mar 2023	89,483	-	(59,385)	30,098

	The Company			
	Share capital US$'000	Capital reserve US$'000	Accumulated losses US$'000	Total US$'000
Balance at 1 Apr 2021	80,578	1,607	(59,400)	22,785
Comprehensive gain for the financial year	-	-	(480)	(480)
Movement arising from extinguishment of convertible loan note	-	(527)	527	-
Issuance of new shares:				
Pursuant to the share placement, net of expenses	2,462	-	-	2,462
Pursuant to performance shares, net of expenses	114	-	-	114
Share issue expense	(38)	-	-	(38)
Balance at 31 Mar 2022	83,116	1,080	(59,353)	24,843

E. Notes to the Condensed Interim Financial Statements

These notes form an integral part of and should be read in conjunction with the accompanying condensed interim financial statements of the Company and its subsidiaries (collectively, the "**Group**") (the "**Condensed Interim Financial Statements**").

1. Corporate Information

The Company (Registration Number: 199603037H) is a limited liability company incorporated and domiciled in Singapore and listed on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The registered office and principal place of business of the Company is at 202 Bedok South Avenue 1 #01-11 Singapore 469332.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries consist of investment holding, design and development of telecommunication systems and hardware and the distribution of telecommunication equipment and related products.

The Condensed Interim Financial Statements have not been audited or reviewed by auditors.

2. Basis of Preparation

The Condensed Interim Financial Statements for the six months ("2H2023") and full year ended 31 March 2023 ("FY2023") are presented in United States dollar, which is the Company's functional currency, and all values, unless otherwise stated, are rounded to the nearest thousand (US$'000). The Condensed Interim Financial Statements, which have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore, do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 30 September 2022.

The accounting policies adopted by the Condensed Interim Financial Statements are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s (the "**Standards**"), except for the adoption of new and amended standards as set out in Note 2.1 below.

Going concern assumption

As at 31 March 2023, the Group incurred a net loss of US$3.0 million (FY2022: US$8.0 million), recorded a net operating cash outflows of US$2.3 million (FY2022: net operating inflow of US$0.4 million) and a net current asset of US$2.2 million as at 31 March 2023 (31 March 2022: net current liabilities of US$4.9 million).

Notwithstanding the above, the Condensed Interim Financial Statements have been prepared on the assumption that the Company will continue to operate as a going concern as the directors of the Company (the "**Directors**") believe that the use of the going concern assumption in the preparation and presentation of the Condensed Interim Financial Statements for FY2023 remains appropriate after taking into account the following factors which enable the Group to fulfil its obligations towards its creditors as and when such obligations fall due:

1. The internal funds generated or to be generated from the Group's ongoing business; and
2. The anticipated ability of the management to obtain external fundings from financial institutions and investors, including key shareholders as and when the need arises.

The Company will continue to prudently monitor its cashflows. It will make further announcements to update the shareholders of the Company (the "**Shareholders**") on material developments concerning any fund-raising activities as and when it materializes.

This validity of the going concern basis on which the Condensed Interim Financial Statements are prepared depends on the Directors' assessment of the Group's ability to operate as a going concern as set forth above. The assumptions are premised on future events, the outcome of which are inherently uncertain.

2.1 New and amended Standards adopted by the Group

A number of amendments to the Standards have become applicable for FY2023. The Group, however did not have to change its accounting policies or make retrospective adjustments as a result of the adoption of those Standards.

2.2 Use of judgements and estimates

In preparing the Condensed Interim Financial Statements, the management of the Company (the "**Management**") has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes, and expenses. Actual results may differ from these estimates.

The significant judgements made by the Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements of the Group as at 31 March 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The nature and the carrying forward of such significant assets and liabilities are disclosed with further details in the relevant notes to the Condensed Interim Financial Statements.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during FY2023.

4. Segment and revenue information

4.1 By geographical segments

For management purposes, the Group's business is organized into geographical segments based on the origin of the customers of the Group and not the destinations for the delivery of its products or the provision of its services as the Group's risks and rates of return are affected predominantly by geographical areas. The Group's main business is the sales of telecommunication equipment and related products and components, including the provision of related design services.

31 March 2023	EMEA[1] US$'000	North America US$'000	Asia Pacific US$'000	Total US$'000
Revenue				
Total revenue from external customers	55	3,205	4,289	7,549
% Contribution	1%	42%	57%	100%
Segment result	26	1,522	2,049	3,597
Unallocated expenses				(6,429)
Other income				41
Finance expenses				(546)
Loss before tax				(3,337)
Income tax credit				344
Loss for the year				(2,993)
Segment assets				
- Segment assets	40	547	15,764	16,351
Segment liabilities				
- Segment liabilities	331	309	8,525	9,165
- Deferred tax liabilities	-	-	1,355	1,355
Total liabilities				10,520
Other information				
Capital expenditure				
- Plant and equipment	-	16	258	274
- Intangible assets	-	-	1,351	1,351
Depreciation and amortisation	7	424	569	1,000

Note:

(1) Denotes Europe, Middle East, and Africa.

31 March 2022	EMEA[1] US$'000	North America US$'000	Asia Pacific US$'000	Total US$'000
Revenue				
Total revenue from external customers	36	3,510	1,912	5,458
% Contribution	1%	64%	35%	100%
Segment result	25	2,428	1,322	3,775

31 March 2022	EMEA[1] US$'000	North America US$'000	Asia Pacific US$'000	Total US$'000
Unallocated expenses				(11,034)
Other income				627
Finance expenses				(1,266)
Loss before tax				(7,898)
Income tax expense				(65)
Loss for the year				(7,963)
Segment assets				
- Segment assets	-	268	14,623	14,891
Segment liabilities				
- Segment liabilities	-	237	10,525	10,762
- Deferred tax liabilities	-	-	1,699	1,699
Total liabilities				12,461
Other information				
Capital expenditure				
- Plant and equipment	-	-	90	90
- Intangible assets	-	-	2,008	2,008
Depreciation and amortisation	7	636	345	988

Note:

(1) Denotes Europe, Middle East, and Africa.

4.2 By revenue streams

The business transformation pursued by the Group over the past 3 years has streamlined our revenue into the four revenue streams as follows:

Turnover	The Group			
	FY2023		FY2022	
	US$'000	**% Contribution**	US$'000	% Contribution
SPC-Related Business	**4,038**	**53**	3,254	60
ADR-Related Business	**2,628**	**35**	1,201	22
STC-Related Business	**674**	**9**	1,003	18
Design Engineering Services	**209**	**3**	-	-
	7,549	**100**	5,458	100

By geographical segments

Almost 100% of the FY2023 revenue were generated from North America region and Asia Pacific region as these are our current focused markets for SPC-Related Business and ADR-Related Business. Although we experienced a 9% drop of revenue from North America region mainly due to the reduced sales of maritime terminal iFleetONE in the STC-Related Business, this revenue was partly offset by successful delivery of the IDRS terminals and related services to our existing and new IDRS clients in North America. We achieved a 125% increase of sale from Asia Pacific region. This was largely due to our shipments of certain reconfigurable embedded modules that the Company developed against contracts for a large local technology company as well as our maiden sales of the ADRS1000, a highly compact state-of-the-art Software Defined Radio ("SDR") module for advanced complex digital radio applications in the 5G era and beyond. The turnover contribution from the EMEA region remained low as we are just embarking in our marketing efforts to explore the market potentials related to SPC-Related Business and ADR-Related Business.

By revenue streams

Almost 90% of the revenue in FY2023 was attributed to the SPC-Related Business and ADR -Related Business as both registered significant year-on-year growth of 24% and 118% respectively. The growth of the SPC-Related Business was driven by the continual orders for our IDRS terminals and the accompanying data connectivity services predominantly from US and Japan. The ADR-Related Business was largely driven by the supplies of certain reconfigurable embedded modules that the Company developed against contracts for a large local technology company. Added to this revenue is the maiden sales of the ADRS1000, a highly compact state-of-the-art Software Defined Radio ("SDR") module for advanced complex digital radio applications in the 5G era and beyond.

5. Employee benefits expense

	The Group	
	FY2023 US$'000	FY2022 US$'000
Employee benefits expense (including Directors):		
- Salaries, bonuses and others	**3,225**	2,871
-Share-based payment	**-**	114
- Contribution to defined contribution plans	**351**	299
	3,576	3,284
Directors' fees	**153**	121
	3,729	3,405
Charged to consolidated statement of profit or loss and other comprehensive income	**3,066**	2,104
Capitalised in development expenditure	**663**	1,301
	3,729	3,405

6. Intangible assets

The Group	**Development expenditure US$'000**	**Patents US$'000**	**Computer software US$'000**	**Total US$'000**
Cost				
At 1 Apr 2022	32,705	84	1,357	34,146
Additions	1,345	6	-	1,351
Government grant	(788)	-	-	(788)
At 31 Mar 2023	33,262	90	1,357	34,709
Accumulated amortisation				
At 1 Apr 2022	12,768	44	1,357	14,169
Amortisation charge for the financial period	615	-	-	615

The Group	Development expenditure US$'000	Patents US$'000	Computer software US$'000	Total US$'000
At 31 Mar 2023	13,383	44	1,357	14,784
Accumulated impairment				
At 1 Apr 2022	11,352	-	-	11,352
Impairment losses	600	-	-	600
At 31 Mar 2023	11,952	-	-	11,952
Carrying amount				
At 31 Mar 2023	7,927	46	-	7,973
At 31 Mar 2022	8,585	40	-	8,625

The Group determines whether there is any indication that development expenditure may be impaired at least on an annual basis. Irrespective of whether there is any indication of impairment, the Group also performed impairment assessment annually for development expenditure not yet available for use by comparing its carrying value with its recoverable amount. This requires an estimation of the probable future economic benefits that are expected to be generated by the commercial exploitation of products, applications and processes that are developed by the Group. The key assumptions used to determine the recoverable amount of each Cash-Generating Unit were disclosed in the annual financial report for FY2023.

7. Trade receivables

	The Group	
	As at 31 Mar 23 US$'000	As at 31 Mar 22 US$'000
Trade receivables	8,262	7,448
Less: loss allowance	(6,033)	(6,000)
	2,229	1,448

Trade receivables include an amount of US$6 million (FY2022: US$6 million) pertaining to a one-off licensing income. The settlement of the consideration will be at the option of the trade debtor, either by way of cash or issuance of shares to the Group. The customer had opted to issue shares to settle the outstanding trade receivable. On 17 August 2020, 2 million shares of the customer had been earmarked to be issued to the Group via a trust deed. On 29 September 2020, the trust deed was extended to 31 December 2021 and on 1 January 2022, was further extended to 31 December 2022. The number of shares to be issued will be dependent on the valuation of the customer upon completion of its fund raising exercise, to be completed before end of 2022.

In consideration of the delays of the transfer of shares by the customer and the heightened volatility and uncertainty in the economic environment that the customer operates in, the management is of the view that there has been a significant increase in credit risk relating to the receivable since initial recognition. With reference to *SFRS(I) 9 Financial Instruments*, accordingly, the Group recorded loss allowance of US$6 million in FY2022.

8. Other receivables, deposits and prepayments

	The Group	
	As at 31 Mar 23 US$'000	As at 31 Mar 22 US$'000
Deposits	159	85
Other receivables	106	427
Prepayments	154	87
Prepayments to suppliers	118	335
Less: loss allowance	(8)	(340)
	529	594

9. Other payables and accruals

	The Group		The Company	
	As at 31 Mar 23 US$'000	As at 31 Mar 22 US$'000	**As at 31 Mar 23 US$'000**	As at 31 Mar 22 US$'000
Accrued operating expenses:				
- Employee benefits	**856**	1,964	**-**	-
- Directors' fees	**-**	80	**-**	80
- Others	**329**	277	**141**	54
Due to Directors	**-**	279	**-**	239
Other payables	**1,113**	559	**645**	387
	2,298	3,159	**786**	760

10. Borrowings

	The Group		The Company	
	As at 31 Mar 23 US$'000	As at 31 Mar 22 US$'000	**As at 31 Mar 23 US$'000**	As at 31 Mar 22 US$'000
<u>Due within one year</u>				
Loans	**485**	3,038	**-**	1,107
Convertible loan notes	**-**	2,755	**-**	2,755
	485	5,793	**-**	3,862
<u>Due after one year or more</u>				
Loans	**-**	14	**-**	-
Convertible bonds	**3,561**	-	**3,561**	-
	3,561	14	**3,561**	-
	4,046	5,807	**3,561**	3,862
<u>Total borrowings</u>				
Loans	**485**	3,052	**-**	1,107
Convertible loan notes/bonds	**3,561**	2,755	**3,561**	2,755
	4,046	5,807	**3,561**	3,862

On 2 December 2021, the 2020 Convertible Loan Notes of the Company was terminated and converted into a term loan and was fully settled on 3 June 2022.

On 30 June 2022, the 2019 Convertible Loan Notes of the Company was terminated and converted into a term loan and were fully settled on 22 July 2022.

Pursuant to a Proposed Renounceable Non-underwritten Rights Issue of Discounted and Redeemable Convertible Bonds ("RCB") exercise by the Company which was completed on 8 November 2022, the Company has issued a total of 5,006,340 in principal amount of Convertible Bonds at a discounted price of S$0.931 for a total proceed of US$3.30 million (S$4.66 million). The RCB carries a coupon rate of 6% per annum with a 5-year maturity and the RCB can be converted to the Company's new ordinary shares at a conversion price of S$0.017 per RCB.

11. Subsequent events

There are no known subsequent events from 31 March 2023 to the date of this announcement, which will lead to adjustments to this set of condensed interim consolidated financial statements.

F. Other Information Required by Listing Rules Appendix 7.2

1. Details of any changes in company's share capital arising from rights issue, bonus issue, share buy backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year.

Share Capital of the Company	No of shares	US$'000
Balance as at 1 April 2022	2,524,601,975	83,116
Issue of new shares pursuant to the May 2022 Placement Shares (as defined below) – net of share issue expenses	169,070,000	1,564
Issue of new shares pursuant to the January 2022 Warrant Shares (as defined below)	185,240,000	1,721
Issue of new shares pursuant to the Optional Subscription Shares (as defined below)	228,000,000	2,097
Issue of new shares pursuant to the August 2022 Placement Shares (as defined below)	135,120,000	1,431
Issue of new shares pursuant to conversion of Redeemable Convertible Bonds (as defined below)	117	-
Share issue expenses	-	(446)
Balance as at 31 March 2023	3,242,032,092	89,483

A. May 2022 Placement Shares

On 10 May 2022, pursuant to a placement exercise approved at an Extraordinary General Meeting ("**EGM**") held on 29 April 2022, the Company allotted and issued 169,070,000 new ordinary shares (the "**May 2022 Placement Shares**") in the share capital of the Company at a placement price of S$0.0127 per May 2022 Placement Share for approximately S$2.15 million (US$1.56 million).

B. January 2022 Warrant Shares

On 6 January 2022, pursuant to a Placement exercise, the Company allotted and issued 185,240,000 Warrants (the "**Warrants**") convertible into up to 185,240,000 new ordinary shares (the "**Warrant Shares**") upon exercise at an exercise price of S$0.0127 per Warrant Shares for approximately S$2.35 million (US$1.73 million). The entire Warrants were exercised in full with the allotment and issue of 185,240,000 Warrant Shares in the share capital of the Company during 1H2023. There is no outstanding Warrants remaining as at the date of this announcement.

C. Optional Subscription Shares

Pursuant to the Optional Subscription Rights approved at an EGM held on 29 April 2022, the Company granted to certain investors the rights to subscribe upto 425,000,000 new ordinary shares of the Company (the "**Optional Subscription Shares**") at an issue price of S$0.0127 per Optional Subscription Share, and when fully subscribed, for a gross proceed of upto S$5.4 million (US$3.98 million). On 31 May 2022, 7 July 2022 and 12 August 2022, the Company has issued and allotted an aggregate of 228,000,000 Optional Subscription Shares pursuant to a partial exercise of the Optional Subscription Rights at issue price of S$0.0127 per Optional Subscription Share, for a gross proceed of approximately S$2.90 million (US$2.10 million). As at the date of this announcement, the balance 197,000,000 Optional Subscription Rights which had remained outstanding as at 30 September 2022, has expired.

D. August 2022 Placement Shares

On 11 August 2022, pursuant to a Placement exercise (the "**August 2022 Placement**"), the Company allotted and issued 135,120,000 new ordinary shares of the Company in the share capital of the Company at a placement price of S$0.0148 per Placement Shares for approximately S$2.00 million (US$1.43 million).

E. Convertible Loan Notes

On 6 August 2019, the Company completed the issuance of convertible loan notes in the aggregate principal amount of approximately S$3.45 million (the "**2019 Convertible Loan Notes**") which are convertible, in whole or in part, into not more than 150,000,000 new ordinary shares in the capital of the Company by 6 August 2021 at the latest (the "**2019 Conversion Shares**") at a conversion price of S$0.023 per 2019 Conversion Share. On 30 June 2022, the 2019 Convertible Loan Notes were terminated and converted into a term loan.

F. Redeemable Convertible Bonds

On 8 November 2022, the Company has completed the issuance of Redeemable Convertible Bonds ("**RCB**") in the aggregate principal amount of approximately S$5.01 million which are convertible, in whole or in part, into not more than 294,490,588 new ordinary shares of the Company in the share capital of the Company (the " **RCB Shares**") at a conversion price of S$0.017 per RCB. The gross proceeds raised from the RCB is approximately S$4.66 million (US$3.30 million). As at the date of this announcement, there were 5,006,338 RCB which can be converted to not more than 294,490,471 new ordinary shares of the Company and 2 RCB were converted in Jan 2023.

G. Performance Share Plan

On 28 July 2017, against the approval of the Shareholders procured at an Extraordinary General Meeting, the Company adopted the 'Addvalue Technologies Performance Share Plan' (the "**AVTPSP2017**") that will enable employees of the Group (including the Executive Directors) as well as the Non-Executive Directors of the Company to participate in the equity of the Company based on performance through the possible grant of awards of fully paid shares of the Company. There were no Share Awards granted under the AVTPSP2017 during FY2023.

Save for the allotment and issuance of the Placement Shares, Warrant Shares, the Optional Subscription Shares and the RCB shares mentioned above, there was no movement in the share capital of the Company during FY2023.

Save for the outstanding Optional Subscription Rights and the Convertible Loan Notes and the Redeemable Convertible Bonds, as at 31 March 2023 and 31 March 2022, the Company has neither treasury shares nor outstanding dilutive securities (including share options) which are capable of being converted into the shares of the Company. Neither were there any sale, transfer, disposal, cancellation and/or use of treasury shares by the Company during the period from 1 April 2022 to 31 March 2023.

Use of proceeds from the issuance of the January 2022 Placement and Warrants Shares (pursuant to Rule 704(30))

As at the date of this announcement, the entire net proceeds of approximately US$4.00 million (S$5.40 million) received from the January 2022 Placement and Warrants exercised had been fully utilized for the intended use as follows:

Use of the January 2022 Placement and Warrant proceeds	US$ million	Percentage utilized of allocated amount (%)
Repayment of borrowings	1.70	100
Payment of payables	0.73	100
General working capital purposes:		
• Payments to suppliers for materials and services	0.53	100
• Payment of administrative expenses, including payroll and other services	1.04	100

Total amount utilized	4.00	

Use of the proceeds from the issuance of the May 2022 Placement Shares (pursuant to Rule 704(30))

As at the date of this announcement, the net proceeds of about US$1.56 million (S$2.15 million) from the May 2022 Placement had been fully utilized for the intended use as follows:

Use of the May 2022 Placement proceeds	US$ million	Percentage utilized of allocated amount (%)
Repayment of borrowings	1.00	100
Payment of payables	0.56	100
General working capital purposes:	-	
Total amount utilized	1.56	

Use of the proceeds from the issuance of the Optional Subscriptions Shares (pursuant to Rule 704(30))

As at the date of this announcement, the entire net proceeds received of approximately US$2.00 million (S$2.71 million) received from the Optional Subscriptions Shares exercised had been fully utilized for the intended use as follows:

Use of the Subscriptions proceeds	US$ million	Percentage utilized of allocated amount (%)
Repayment of borrowings	1.20	100
Payment of payables	0.50	100
General working capital purposes:		
• Payments to suppliers for materials and services	0.10	100
• Payment of administrative expenses, including payroll and other services	0.20	100
Total amount utilized	2.00	

Use of the proceeds from the issuance of the August 2022 Placement Shares (pursuant to Rule 704(30))

As at the date of this announcement, the entire net proceeds of approximately US$1.43 million (S$2.00 million) received from the August 2022 Placement had been fully utilized for the intended use as follows:

Use of the August 2022 Placement proceeds	US$ million	Percentage utilized of allocated amount (%)
Repayment of borrowings	0.70	100
Payment of payables	-	-
General working capital purposes:		
• Payments to suppliers for materials and services	0.11	100
• Payment of administrative expenses, including payroll and other services	0.62	100
Total amount utilized	1.43	

Use of the proceeds from the issuance of the Rights Issue on Redeemable Convertible Bond ("RCB") (pursuant to Rule 704(30))

As at the date of this announcement, the entire net proceeds of approximately US$3.13 million (S$4.35 million) received from the RCB was utilized for the intended use as follows:

Use of the RCB proceeds	US$ million	Percentage utilized of allocated amount (%)
Repayment of borrowings	1.77	100
Payment of payables	0.34	100
General working capital purposes:		
• Payments to suppliers for materials and services	0.11	100
• Payment of administrative expenses, including payroll and other services	0.91	100
Total amount utilized	3.13	

The total number of issued shares (excluding treasury shares) as at the end of the current financial year and as at the end of the immediately preceding year are tabulated as follows:

The Company	As at 31 Mar 2023	As at 31 Mar 2022
Total number of issued ordinary shares (excluding treasury shares)	**3,242,032,092**	2,524,601,975

2. Earnings per ordinary shares of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	The Group	
	FY2023 US$'000	FY2022 US$'000
Net loss attributable to Shareholders	**(2,993)**	(7,963)
Number of ordinary shares in issue (excluding treasury shares)		
Weighted average number of ordinary shares for the purpose of computing the basic loss per share	**3,101,178,165**	2,312,809,783
Loss per share		
Basic and diluted (US cents)	**(0.10)**	(0.34)

3. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.

	The Group		The Company	
	As at 31 Mar 2023 US'000	As at 31 Mar 2022 US$'000	**As at 31 Mar 2023 US$'000**	As at 31 Mar 2022 US$'000
Net asset value as at end of financial year	**5,831**	2,430	**30,098**	24,843
Net asset value per ordinary share as at the end of financial year (US cents)	**0.18**[(1)]	0.10[(2)]	**0.93**[(1)]	0.98[(2)]

Notes:

(1) Based on 3,242,032,092 issued shares of the Company
(2) Based on 2,524,601,975 issued shares of the Company.

4. A review of the performance of the group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs and earning of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period report on.

Overview

The Group is a world recognised 'one-stop shop' communications technology products developer that provides state-of-the-art satellite-based communication and other innovative digital broadband products and solutions for a variety of connectivity for applications over four physical domains: seas, land, sky and space. Its customers include leading commercial and governmental organizations in communications, defence, and aerospace industries.
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The Group's products and solutions revolve around the concept of 'Digital Connectivity as a Service'. In particular, the Group knows best to apply appropriate satellite communications technologies and related engineering knowhow for reliable, resilient, and smart connection, be it between people, between machines or between people and machines. These products and solutions are ideal choices for communications in areas around the world where terrestrial networks are non-existent or ineffective. The 'one-stop shop' business model means the Group takes a holistic approach in providing an 'end-to-end' connectivity solution that optimally integrates hardware, software, and service platforms into a seamless embodiment, so customers only have to focus on what they do best.

Owing to the rich and proven heritage in the Group's design and development competencies for highly sophisticated products for RF analog, digital radio and software-defined applications, the Group also offers customised design services, tailored to the unique needs of our customers, thereby enabling our customers to unleash their real business potential. Its comprehensive and proven capabilities in high quality product development and its depth of technical knowhow in sophisticated engineering projects have been highly regarded in the industry. This not only gives the Group tremendous competitive advantages to attract high value projects but also the opportunities to seek new growth areas that are in alignment with its strategic direction.

The Group organizes its business into the following segments as it grows its various revenue streams (comprising hardware sales, solution and airtime income as well as design service fee) along market opportunities driven by the new age of digital economies:

- Space Connectivity ("SPC") Related Business (Previously known as IDRS-Related Business)
- Advance Digital Radio ("ADR") Related Business (Previously known as RES–Related Business)
- Satcom Connectivity ("STC") Related Business (Previously known as IPS-Related Business)
- Strategic Design ("SDS") Related Business (Previously known as Design Engineering Services or Design-cum-Supply Business)

Review of financial performance for 2H2023 (relative to 2H2022) and FY2023 (relative to FY2022)

Turnover

The Group continue its business expansion journey and registered a turnover of US$5.1 million in 2H2023 *vis-à-vis* that of US$3.8 million in 2H2022, an increase of US$1.3 million or 33%. The Group's turnover for FY2023 improved by more than US$2 million from US$5.5 million in FY2022 to US$7.5 million in FY2023, a commendable 38% growth in revenue. The increase was mainly attributable to increase in sales from ADR-Related Business and SPC Related Business. SPC-Related Business delivered 19 IDRS terminals during the year under review, with more than half delivered in 2H2023. We also see a growth of more than 100% achieved for ADR-Related Business in FY2023 over FY2022 with about 80% of the revenue in 2H2023.

Profitability

The Group recorded a gross profit of US$2.1 million against a gross profit margin of 40.5% for 2H2023 compared to a gross profit of US$2.7 million against a gross profit margin of 70.8% for 2H2022.

The Group recorded a gross profit of US$3.6 million against a gross profit margin of 47.6% for FY2023 compared to a gross profit of US$3.8 million against a gross profit margin of 69.2% for FY2022.

The lower gross profit and gross profit margin was attributed principally to the delivery of more low yielding products in 2H2023 and FY2023 relative to 1H2022 and FY2022.

The selling and distribution expenses of the Group increased by US$319,000 or 100.6% from US$317,000 in FY2022 to US$636,000 in FY2023 due mainly to new marketing initiatives, including additional marketing and overseas travelling expenses incurred for participation in overseas exhibitions and sales trips since the opening up of air travel in April this year.

The administrative expenses of the Group increased from US$2,442,000 in FY2022 to US$2,950,000 in FY2023 due primarily to increased legal and professional service expenses incurred on corporate activities as well as higher manpower costs and related expenses as a result of increased headcount in the quality and operational area, in gearing up for new processes in the SPC and ADR-Related Businesses of the Group.

The other operating expenses decreased by US$5,432,000 or 65.6% from US$8,275,000 to US$2,843,000 mainly attributed to the FY2022's US$6.0 million loss allowance on a trade receivable, offset by the increased in office expenses incurred, increased GST and withholding taxes incurred for certain corporate expenses and loans payable incurred by the Company, and the fair value loss on quoted equity instrument in FY2023.

The other operating income of the Group in FY2022 was mainly related to gain from extinguishment of convertible loan notes, fair value gain from quoted equity instrument and government grants while in FY2023, the other operating income of the Group consist of mainly government grants received.

The lower finance expenses incurred by the Group in FY2023 was attributed mainly to lower borrowings following the settlement of most of the Group's FY2022 outstanding loans with the funds raised from placement exercises in 1HFY2022, offset by new finance expenses incurred for the new loans acquired in 2H2023, including the S$4.66 million RCB which was completed in November 2022

Consequence to the above, the Group has significantly reduced its net loss to US$3.0 million in FY2023 compared to a net loss of US$8.0 million in FY2022.

Review of financial position as at 31 March 2023 (relative to that as at 31 March 2022)

Long-term assets

The increase in property, plant and equipment of the Group was attributed mainly to purchase of certain new lab equipment required to cater for new in-house processes for the new business expansion.

The intangible assets relate mainly to the development expenses incurred (net of amortisation and impairment) as the Group continues to develop its proprietary technologies and products, including its space resilient technologies and new spin-off products and services. The decreased was due mainly to lower development expenses incurred in FY2023 following the completion of most of the projects, abeit further impairment of certain development expenses and the commencement of amortisation of part of the completed space resilient projects.

The increase in the Company's subsidiaries was due to an issuance of new shares in a subsidiary via capitalisation of amount due from that subsidiary company.

Current assets

The increase in inventories was attributed mainly to the purchase of materials for the fulfilment of outstanding customers' orders, especially from the ADR-related business.

The increase in trade receivables was due to sales towards the end of FY2023 while the other receivables, deposits and prepayments remained stable compared to that of the last financial year.

The decrease in other investment was due the recognition of the fair value loss arising from the Company's other equity investment as at 31 March 2023.

Current liabilities

The increase in trade payables were attributed mainly to higher inventories carried to support the higher sales volume deliveries towards the year end.

The decrease in other payables and accruals were attributed mainly to the settlement of amounts due to directors of the Company and staff during FY2023.

The increase in provisions was due mainly to the higher provision for Directors' fees for FY2023 arising from the increase in the number of directors.

The decrease in borrowings was attributed principally to loan settlements during FY2023, including the full settlement of the 2019 Convertible Loan Notes.

The decrease in lease liabilities was due to the payments during the year.

The decrease in contract liabilities, which relate to advances and deposits from customers, was due mainly to fulfilment of deliveries during FY2023.

The non-current borrowings consist of the Redeemable Convertible Bonds ("RCB") issued in November 2022 which will mature in 5 years.

The decrease in deferred tax liabilities was due to the lower tax liabilities resulted from lower development expenditure incurred during FY2023.

The increase in Share Capital was due to the allotment of 717,430,117 new ordinary shares pursuant to Placement, Warrants and Optional Subscriptions Rights exercised in 1H2023 and the allotment of 117 new shares pursuant to the conversion of RCB.

The movement in capital reserve was due to the reversal of the equity portion of the convertible loan notes upon full settlement.

Consequence to the above:

1. The gearing of the Group (defined as the ratio of all interest-bearing loans of the Group to the shareholders' fund of the Group) decreased from 239.0% as at 31 March 2022 to 69.4% as at 31 March 2023;
2. the working capital position of the Group was reverse from a negative working capital of USS$4.94 million as at 31 March 2022 to a positive working capital of US$2.22 million as at 31 March 2023;
3. the net cash flow of the Group reversed from cash generated from operation of US$0.4 million in FY2022 to cash used in operations of US$2.3 million in FY2023, of which was substantially covered by cash generated from financing activities in FY2023; and
4. the net asset value of the Group improved by US$3.4 million or 140.0% from US$2.4 million as at 31 March 2022 to US$5.8 million as at 31 March 2023 while the net asset value per ordinary share improved from 0.10 US cents per Share as at 31 March 2022 to 0.18 US cents per Share as at 31 March 2023.

5. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

6. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Riding on the initial success of our business transformation plan, our strategy is to focus our effort on two main engines of growth, namely the SPC-Related Business and the ADR-Related Business:

I. SPC-Related Business (relating to our IDRS product and related services):

a. The traditional way for Low Orbit Earth ("LEO") satellite operators to be able to contact their spacecraft in orbits is through a ground antenna station with a suitable RF link that can only make contact with the fast-flying spacecraft flies within the light of sight of the ground antenna station. This considerably restricts the number of times and duration of the contact between the LEO satellite operator and the spacecraft. Today LEO satellite operators need much better data communications technologies to overcome such inflexibility and limited communication via a direct ground antenna station in view of the growing demands from their customers.
b. Since making its commercial in-orbit debut with the launch of the first commercial LEO satellite from Capella Space in late 2020, the IDRS has been the only data communication solution capable of offering almost-real-time, always-on, anytime, any geographical place and bi-directional data connectivity services over the Inmarsat BGAN satellite network. With the rapid growth of interest in the development and deployment of LEO satellites for almost every conceivable application, and such frenzies are further propelled by the recent geopolitical developments among nations, big or small, who are vying to jostle for a place in the low orbit space for national strategic or commercial interests or both, we believe the IDRS is well poised to take full advantage of the potential of this new market segment of the space industry.
c. The range of IDRS customers that have been publicly announced with their consents have now been expanded to amongst others include Blacksky Global, Heron (formerly known as Analytic Space Inc), Synspective, Atomos Space and Astroscale. They represent a good spread of LEO satellite technologies for a wide variety of space-based applications from earth observations, remote sensing, tugging services in space and space debris management.
d. The following is an update of the key data points concerning the progress of our IDRS-related business:

Description	As of 16 Feb 23	As of 30 May 23	Remark
Number of IDRS customers	11	13	
Aggregate number of satellites according to the constellation plans of the customers included in the table.	>300	>330	Please note that the customers may change their constellation plans so the numbers shown are purely for reference only.
Number of IDRS terminals shipped	38	47	These numbers also include engineering models which the customers usually need for testing together with their spacecraft before launching into space.
Number of IDRS terminals launched into orbits	7	9	Please note that the in-orbit life of the LEO satellite and hence the IDRS terminal on board is entirely customer-dependent and other external factors without our control.
Number of IDRS flight models ready in the warehouse of customers planning for launching with their LEO satellites.	18	24	Please note that the launch programs are entirely customer-dependent and other external factors without our control.

e. As of this writing, we have secured an order book of about US$2.0 million with a pipeline of sale leads with high confidence of about US$8.6 million (these includes optional orders of about US$2.8 million from customers).

f. Our recurring airtime revenue from the provisioning of IDRS data connection services grew from US$365K in FY2022 to US$550K in FY2023, registering about 51% growth despite only two more satellites equipped with IDRS were launched in March 2023. Based on our current understanding of our respective customers' launch programs and their launch service providers such as SpaceX, Rocket Lab and PSLV, we estimate at least 12units of the IDRS flight terminals will be launched over the next 6 to 12 months. The new launches will add to the recurring airtime revenue from our provision of data connection services. Therefore, we expect an accelerated growth of the recurring IDRS airtime revenue over the next 12 months.

II. ADR-Related Business (relating to the sales of our reconfigurable embedded hardware solutions developed for software defined applications which also includes Software Defined Radio ("SDR"))

a. Over the past years the development of several SDR modules under various contracts with our partners including a large local technology company has pathed the way for our supply of such modules to generate this new stream of revenue. The contract of S$3.6m with an optional purchase of S$1.6m was awarded in Feb 2022 (refer to our SGX Announcement dated 15 February 2022). We have also received new design contracts which shall path the way for subsequent supply revenue as some of the developmental work should be completed within FY2024.

b. The ultra-high-quality standard demanded by our clients and the challenges in managing the supply chains and manufacturing process have collectively elevated the overall capabilities of our company in the managing the supply chain and manufacturing of such ultra-high-quality products. With the successful deliveries of the products, we are confident of receiving repeated purchase orders from the same client. Armed with this as our strong credential, we are now attracting new customers with similar quality demands for our design and supply services.
c. Since the successful launch of the ADRS1000™ module, a state-of-the-art 16-channel Direct Sampling re-configurable wireless System-on-Module (SOM), we successfully shipped and fulfilled customers' orders in anti-drone and smart RF sensing industries. While we continue to receive orders from these industrial segments for delivery in FY2024, we are also ratcheting up our sales and marketing efforts to address new market opportunities from other industries where highly complex software defined applications are the trend going forward.
d. As of this writing we secured an order book from ADR-Related Business including new design and supply contracts of about US$3.0 million with a pipeline of sale leads with high confidence of about US$5.0 million (these includes optional orders of about US$1.3 million from customers).

With a total order book of more than US$5.2 million and a pipeline of sales leads with high confidence amounting to about US$13.6 million (these includes optional orders of about US$4.1 million from customers), barring any unforeseen circumstances, taking cognizant of the above, we expect the Group will perform significantly better in its revenue in FY2024 relative to FY2023 and are confident that the growth trend will continue for the next 12- 24 months.

Some of the statements in this release constitute 'forward-looking statements' that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control and may affect the extent of the realization of our current book orders for FY2024 and beyond. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and factors such as general economic and business conditions, including the current Ukraine war, inflation in many countries globally, the uncertainties arising from the current ongoing trade war and stand-off between US and China; continued concerns of the scale of the possible adverse fallouts as well as other political and economic issues confronting the world and any adverse changes to the now stabilizing covid pandemic situation or the emergence of another pandemic ; deflationary pressures and undue currency movements; change in technology; delay in signing, commencement, implementation and performance of programs, or the delivery of products or services under them or the implementation of improved airtime package by the satellite operators; structural change in the satellite industry; relationships with customers; competition; and the ability to attract quality personnel. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future and any negative impacts arising from these issues will affect the performance of the Group's businesses and that the certainty of success of any pending fund-raising exercise by the Company is not assured, undue reliance must not be placed on these statements.

7. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No.

(b) (i) Amount per share: Nil cents

(ii) Previous corresponding period: Nil cents

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

8. If no dividend has been declared / recommended, a statement to that effect and the reason(s) for the decision.

No dividend is declared or recommended for distribution for 2H2023 and FY2023 as the Company is in a loss-making position.

9. If the group has obtained general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No general mandate for IPT from the Shareholders has had been sought.

Name of the interested person/ Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920) US$	Aggregate value of all interested person transactions conducted under the Shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) US$
Mr Paul Burke, a Non-Executive Director	113,156[1]	Nil

Notes:

(1) Being interest due under loans extended to the Company by Mr. Paul Burke prior to him being a Non-Executive Director of the Company which was settled in 1H2023.

10. Negative assurance confirmation on interim financial results pursuant to Rule 705(5) of the Listing Manual.

Not applicable.

11. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that it has procured the said undertakings from all the Directors and executive officers of the Company in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (THIS PART IS NOT APPLICABLE TO Q1, Q2, Q3 OR HALF YEAR RESULTS)

12. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Please refer to the section E item 4 - Segment and revenue information of this announcement for details.

13. In the review of performance, the factors leading to any material changes in contributions to turnover and earning by the business or geographical segments.

Please refer to the section E item 4 - Segment and revenue information of this announcement for details.

14. Breakdown of sales

	FY2023 US$'000	FY2022 US$'000	% change
(i) Turnover reported for:			
- First half year ended 30 September	**2,460**	1,617	52.1%
- Second half year ended 31 March	**5,089**	3,841	32.5%
	7,549	5,458	38.3%
(ii) Net profit/ (loss) reported for:			
- First half year ended 30 September	**(1,005)**	(1,093)	8.1%
- Second half year ended 31 March	**(1,988)**	(6,870)	71.1%
	(2,993)	(7,963)	62.4%

The Group recorded a more than two-fold increase in turnover to US$5.1 million in 2H2023 from that of US$2.5 million in 1H2023 with a growth of 38% in FY2023 compared to FY2022 with the business momentum from our 2 main engines of growth, namely SPC-Related Business and ADR-Related Business picking up this year.

15. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

16. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Nil				

For and on behalf of the Board of Directors

Richard Denny	Tan Khai Pang
Non-Executive Chairman	CEO

30 May 2023