



(Incorporated in the Cayman Islands with limited liability)

Plover Bay Technologies Announces 2023 Interim Results

Revenue and diluted EPS grew 11.3% and 19.5% year-over-year, respectively, highlighting strong interest in Starlink-bonding solutions and continued growth of recurring revenue business

HONG KONG - 27 July 2023 - Plover Bay Technologies Limited ("Plover Bay", SEHK stock code: 1523), today reports its interim financial results for the period ended 30 June 2023 ("1H23") with revenue of US\$44.6 million, net income of US\$12.3 million and diluted earnings per share of US 1.12 cents. In addition, Plover Bay declares a second interim dividend of HK7.01 cents per share for the period.

Financial Summary:

For the year ended 31 December 2022	1H23	1H22	YoY Change
Revenue (US\$ in 000)	\$44,632	\$40,114	+11.3%
Gross margin (%)	53.3%	55.7%	-4.3pp
Operating expenses, other income and finance cost (US\$ in 000)	\$8,912	\$10,062	-11.4%
Profit before tax (US\$ in 000)	\$14,887	\$12,283	+21.2%
Net profit (US\$ in 000)	\$12,323	\$10,308	+19.5%
Diluted earnings per share (US\$ in cents)	1.12	0.94	+19.1%
Dividend declared (HK\$ in cents)	7.01	5.90	+18.8%

1H23 Highlights

- Revenue was US\$44.6 million, up 11.3% year-over-year. During the period, we see exceptional demand for Starlink-bonding solutions. High profile deployments include completing a Starlink-bonding solution for the world's largest fleet of cruise liners. In addition, the same kind of solution is gaining momentum in Australia among the mining, education and emergency services verticals. In Europe, Starlink-bonding solutions are also receiving strong reception in the maritime verticals.
- Recurring revenue, which includes deferred revenues from subscriptions for support and cloud management services, and sales of mobile data, continued strong growth momentum. Meanwhile, the number of devices with a subscription and subscription dollar amount booking both recorded strong growth.
- As our product portfolio evolves, our classification of wired and wireless SD-WAN routers no longer accurately describes the nature of our products. As such, we have changed our current classification of "Wired SD-WAN" into "Fixed First Connectivity", and "Wireless SD-WAN" into "Mobile First Connectivity". Warranty & support services segment and software licences segments will remain the same.
- During the period, Fixed First Connectivity segment revenue increased 24.2% year-over-year, driven by strong adoption of Starlink-bonding solutions, while Mobile First segment stayed flat year-over-year.
- Sales from North America increased 12.8%; EMEA increased 14.1%; Asia Pacific was essentially flat, while other regions decreased 0.6%, respectively year-over-year.
- Recurring revenue increased 28.3% year-over-year and accounted for 31.2% of total revenue. During the year, the number of devices under subscription and subscription booking dollar amount achieved remarkable growth of 34% and 24%, respectively. In addition, cloud and data services, which are also part of recurring revenue, ramped up quickly and now account for over 2% of total revenue.
- Operating expenses, which includes Selling & distribution, General and administration, and Research and development, consultancy and other expenses, amounted to approximately US\$10.0 million with a year-over-year decrease of 11.4% year-over-year mainly due to positive net impact of \$1 million from favorable movements in foreign currency rates.
- Net income increased 19.5% year-over-year to about \$12.3 million, while diluted earnings per share increased 19.1% year-over-year to US 1.12 cents.

Mr. Keith Chau, CEO of the Group, said “Connectivity should not just rely on a single network connection. With the proliferation of Fixed Wireless Access with 5G “5G FWA”, Low Earth Orbit Satellite services like Starlink, connectivity options have expanded tremendously. Yet, making connectivity reliable and accessible remains a challenge in many parts of the world. We will continue to develop innovative solutions to help customers simplify and supercharge their connectivity over all kinds of connectivity technology.”

About Plover Bay Technologies Limited

Plover Bay Technologies (SEHK: 1523) develops and markets connectivity-related technologies and products under ‘Peplink’. The company’s technologies and products help “supercharge” the networks of customers from various industries to increase bandwidth, enhance reliability, and reduce costs.

For more details, please visit <https://www.ploverbay.com>.

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