East Rutherford, NJ – August 11, 2023 – Tel-Instrument Electronics Corp. ("Tel-Instrument," "TIC," or the "Company") (OTCQB: TIKK), a leading designer and manufacturer of avionics test and measurement solutions, today reported a net income of \$295K (\$0.07 per basic and \$0.06 per diluted share) on revenues of \$2.9 million for the first quarter of 2024 fiscal year, ended June 30, 2023.

Notes On First Quarter:

□□ Revenues for the first quarter were \$2.9 million, a 27% increase from \$2.3 million in the year-ago quarter.
.□□ The gross margin percentage increased to 45% versus 37% in the year-ago quarter.
$\cdot \Box \Box$ Operating expenses decreased by \$205K, a 19% decline versus the year ago level as a result of funded engineering projects.
$\cdot \Box \Box$ Operating income was \$420K as compared to an operating loss of \$244K in the year ago quarter.
.□□ Net income was \$295K or \$0.07 per share, compared to net loss of \$233K or \$(0.10) per share in the year-ago quarter.
□□ The Company recorded \$706K in positive cash-flow from operating activities for the quarter with cash balances improving to \$6.5 million.
.□□ Backlog decreased to \$5.3 million at the end of the first quarter, a \$1.2 million decrease from the prior quarter-end.

Additionally, the Kansas Appellate Court denied our appeal motion on July 21, 2023. We continue to explore available options for next steps, including filing a further appeal.

Mr. Jeffrey O'Hara, Tel-Instrument's President and CEO commented: "We were extremely disappointed with the decision of the Kansas Appellate Court and are currently evaluating whether to pay the full judgment amount or appeal the decision to the Kansas Supreme Court. We were pleased with the revenue growth and profitability for the first quarter, although parts availability and lead times continue to hamper production. We are predicting solid growth for the remainder of this fiscal year. Notable orders received in the second quarter include a \$875k TS-4530A software upgrade

project for the U.S. Army and a \$1.7 million order for Germany for T-4530i units. This T-4530i order has been received by our European distributor and we are waiting for them to issue the purchase order to TIC. We have also submitted a quote for 111 MADL test sets totaling \$1.5 million and we expect a contract award this year. Additionally, TIC has \$2 million of remaining funding for the CRAFT ECP. The Test Readiness Review ("TRR") will take place late in the Spring of 2024 and this is expected to generate an additional \$1.2 million of revenues. The production contract should commence later next year and is expected to generate annual revenues of up to \$5 million per year. The SDR/OMNI continues to receive positive reviews from our customers, and we expect larger volume orders to start this Fall.

From a cash perspective, we have sufficient liquidity to pay the Aeroflex judgment amount in full if we elect not to appeal. TIC's Board has also indicated its willingness to invest additional capital if needed to support our growth plans.

About Tel-Instrument Electronics Corp.

Tel-Instrument is a leading designer and manufacturer of avionics test and measurement solutions for the global commercial air transport, general aviation, and government/military aerospace and defense markets. Tel-Instrument provides instruments to test, measure, calibrate, and repair a wide range of airborne navigation and communication equipment. For further information please visit our website at www.telinstrument.com

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This press release includes statements that are not historical in nature and may be characterized as "forward-looking statements," including those related to future financial and operating results, benefits, and synergies of the combined companies, statements concerning the Company's outlook, pricing trends, and forces within the industry, the completion dates of capital projects, expected sales growth, cost reduction strategies, and their results, long-term goals of the Company and other statements of expectations, beliefs, future plans and strategies, anticipated events or trends, and similar expressions concerning matters that are not historical facts. All predictions as to future results contain a measure of uncertainty and, accordingly, actual results could differ materially. Among the factors which could cause a difference are: changes in the general economy; changes in demand for the Company's products or in the cost and availability of its raw materials; the actions of its competitors; the success of our customers; technological change; changes in employee relations; government regulations; litigation, including its inherent uncertainty; difficulties in plant operations and materials; transportation, environmental matters; and other unforeseen circumstances. A number of these factors are discussed in the Company's previous filings with the U.S. Securities and Exchange Commission. The Company disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this press release. The safe harbor for forward-looking statements contained in the Securities Litigation Reform Act of 1995 (the "Act") protects companies from liability for their forward-looking statements if they comply with the requirements of the Act.

Contact:	
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TEL-INSTRUMENT ELECTRONICS CORP.	
CONDENSED CONSOLIDATED BALANCE SHEETS	
June 30,	
2023	
March 31,	
2023	

1	Tel-Instrument Electronics Corp. Reports Financial Results For First Quarter FY 202	24

(unaudited)

ASSETS

Current assets:	
Cash	
\$	
4,531,637	
\$ 3,839,398	
Accounts receivable, net	

2,011,133

2,011,083
Prepaid expenses and other current assets
244,448
817,625
Total current assets
11,631,423
11,155,052

Tel-Instrument Electronics Corp. Reports Financial Results For First Quarter FY 2024		
Equipment and leasehold improvements, net		
86,876		
60,076		
05.407		
85,167		
Operating lease right-of-use assets		
4.470.705		
1,476,765		

35,109

Total assets

\$

15,777,561

\$

15,429,814

LIABILITIES & STOCKHOLDERS' EQUITY

Tel-Instrument Electronics Corp. Reports Financial Results For First Quarter FY 2024		
Current liabilities:		

Line of credit
\$
690,000
\$
690,000
Operating lease liabilities – current portion
204,065
202,087
Accounts payable

240,034
Accrued legal damages
6,430,943
6,360,698
Accrued expenses - other
166,046
157,896
Total current liabilities

8,216,022		
8,096,414		
Operating lease liabilities – long-term		
1,272,700		

Other long term liabilities

51,438

53,416

Deferred revenues – long-term

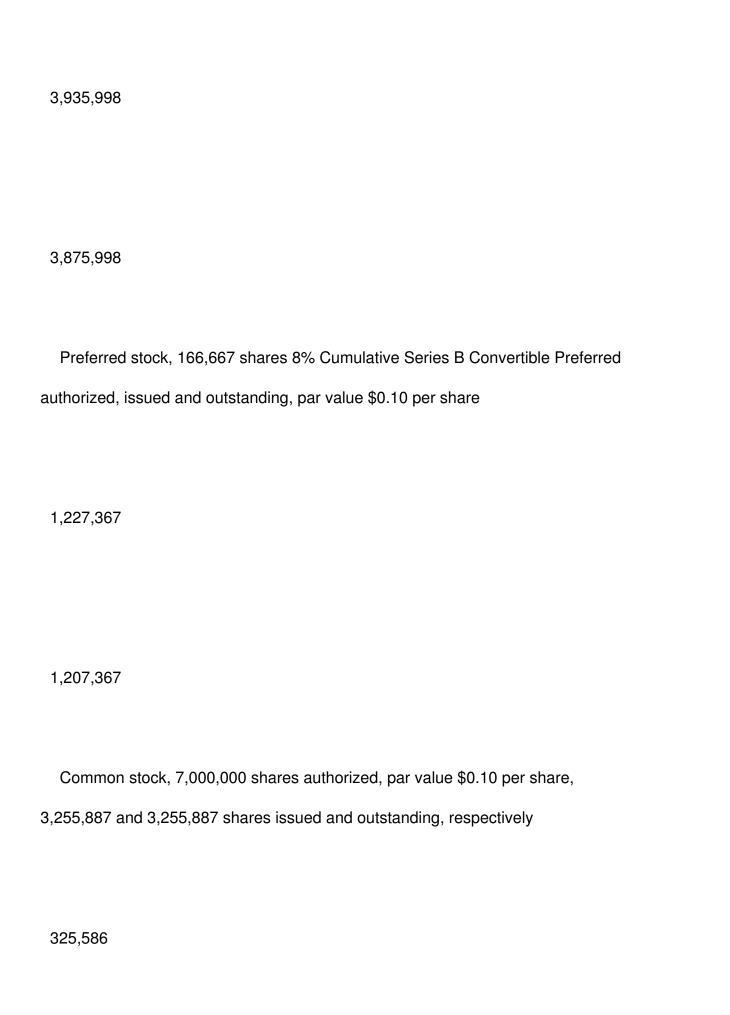
157,203

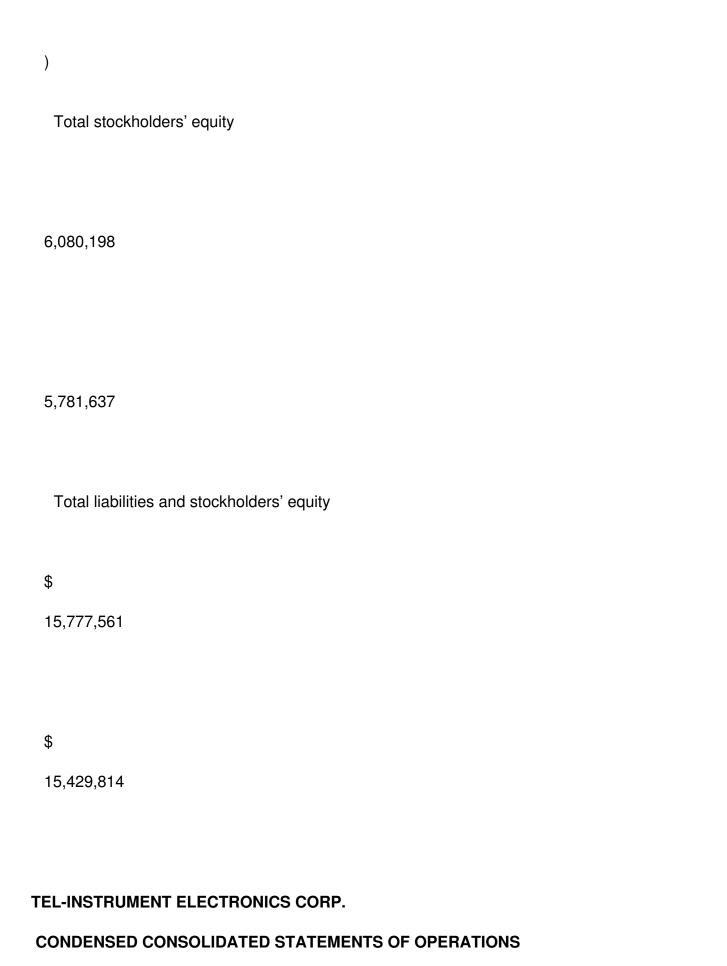
173,883



Tel-Instrument Electronics Corp. Reports Financial Results For First Quarter FY 2024			
Commitments and contingencies			

Stockholders' equity:	
Preferred stock, 1,000,000 shares authorized, par value \$0.10 per share	
Preferred stock, 500,000 shares 8% Cumulative Series A Convertible Preferred horized, issued and outstanding, par value \$0.10 per share	





(Unaudited)	
Three Months Ended	
June 30, 2023	
June 30, 2022	

Net sales			
\$			
2,866,929			
\$			
2,253,757			
Cost of sales			
1,572,380			
1,418,572			
1,410,372			



Operating expenses:	
Selling, general and administrative	
584,858	
556,933	
Engineering, research, and development	

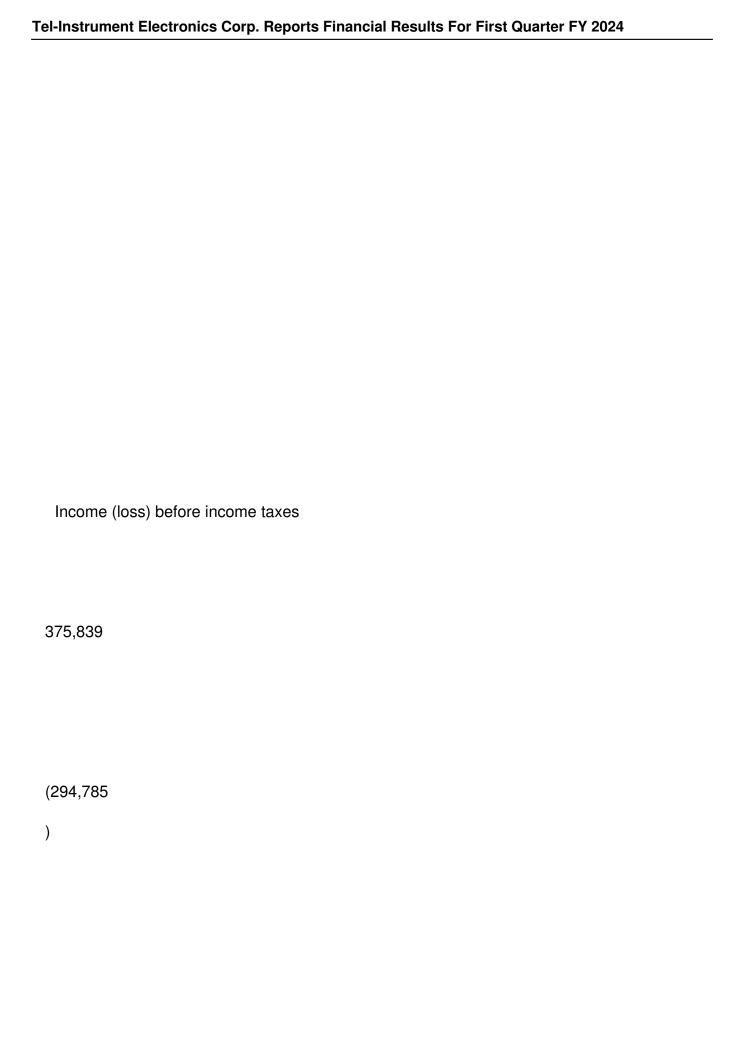
289,441		
522,103		
Total operating expenses		
874,299		
1,079,036		

Tel-Instrument Electronics Corp. Reports Financial Results For First Quarter FY 2024				
Income (loss) from operations				
420.250				
420,250				
(243,851				
)				

Other (expense) income:

Tel-Instrument Electronics Corp. Reports Financial Results For First Quarter FY 2024				
Interest income				
39,289				
986				
Interest expense – other				
(13,455				
)				
,				

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Interest expense – judgement
(70,245
)
(51,920
)
 Total other net expense
(44,411
)
(50,934
)
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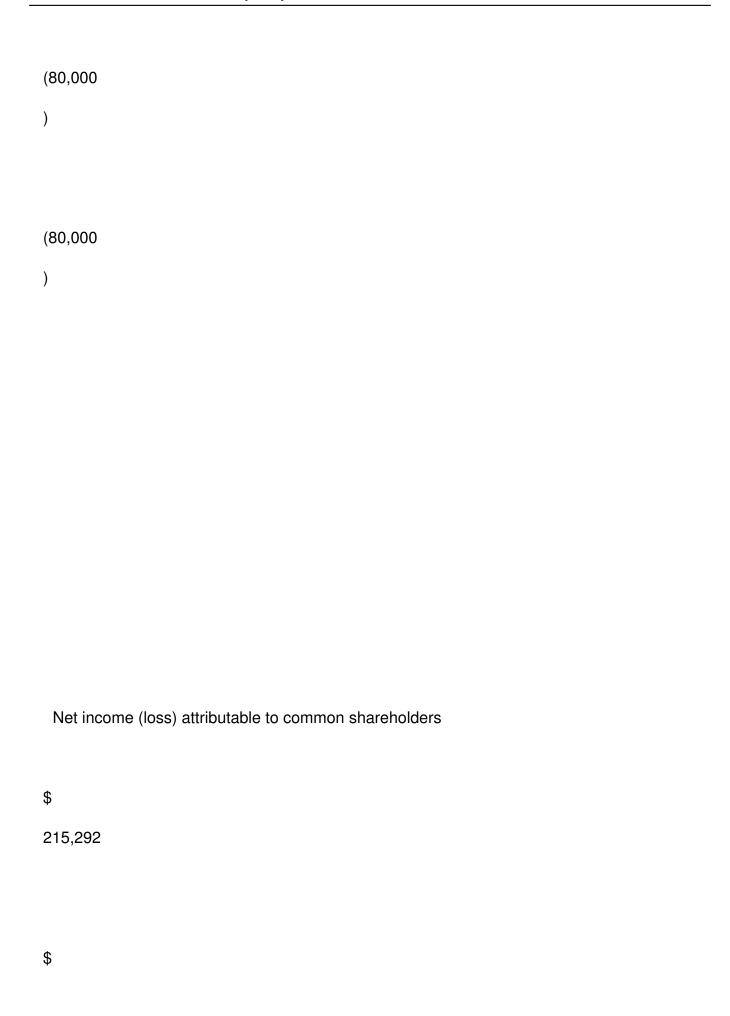


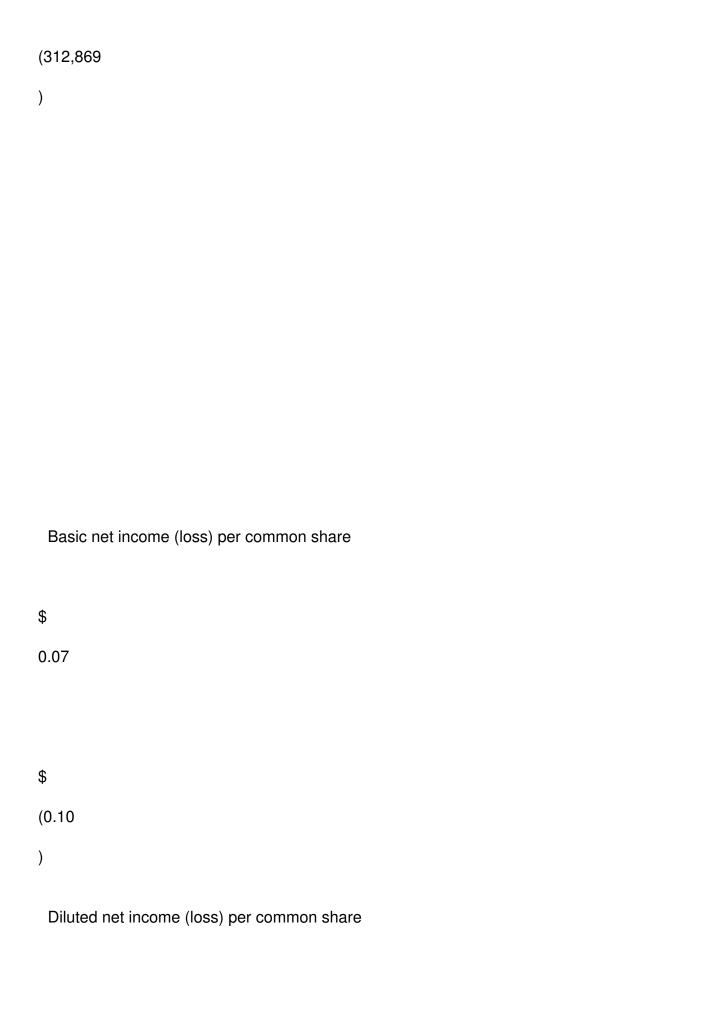
T	el-Instrument Electronics Corp. Reports Financial Results For First Quarter FY 2024
	Income tax expense (benefit)
	80,547
	(61,916

)

Net income (loss)
295,292
(232,869
)

Preferred dividends





\$	
0.06	
\$	

(0.10

Weighted average shares outstanding:

Basic			
3,255,887			
3,255,887			
Diluted			
5,215,665			
3,255,887			