



GLOBAL INVACOM GROUP LIMITED

(Incorporated in Singapore)

(Company Registration Number 200202428H)

8 Temasek Boulevard, #20-03 Suntec Tower Three, Singapore 038988

Tel: 68848270 Fax: 68848273 Website: www.globalinvacom.com

HALF-YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE HALF-YEAR ENDED 30 JUNE 2016

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Comprehensive Income for the six months period ended 30 June 2016.
These figures have not been audited.

	Group			Group		
	Q2 FY2016 US\$'000	Q2 FY2015 US\$'000	Increase/ (Decrease) %	1H FY2016 US\$'000	1H FY2015 US\$'000	Increase/ (Decrease) %
Revenue	33,517	26,933	24.4	64,275	53,970	19.1
Cost of sales	(26,216)	(21,628)	21.2	(51,295)	(42,818)	19.8
Gross profit	7,301	5,305	37.6	12,980	11,152	16.4
Other income	12	46	(73.9)	17	51	(66.7)
Distribution costs	(76)	(5)	N.M.	(186)	(56)	232.1
Administrative expenses	(6,516)	(6,604)	(1.3)	(12,779)	(13,601)	(6.0)
Other operating expenses	(255)	(486)	(47.5)	(63)	(123)	(48.8)
Finance income	5	6	(16.7)	12	15	(20.0)
Finance costs	(184)	(15)	N.M.	(324)	(20)	N.M.
Profit/(Loss) before income tax⁽ⁱ⁾	287	(1,753)	N.M.	(343)	(2,582)	(86.7)
Income tax expense	(62)	(154)	(59.7)	(86)	(258)	(66.7)
Profit/(Loss) after income tax attributable to equity holders of the Company	225	(1,907)	N.M.	(429)	(2,840)	(84.9)

Other comprehensive (loss)/income:

Items that may be reclassified subsequently to profit or loss

- Exchange differences on translation of foreign subsidiaries

Items that may not be reclassified subsequently to profit or loss

Other comprehensive (loss)/income for the period, net of tax

Total comprehensive income/(loss) for the period attributable to equity holders of the Company

(99)	(222)	(55.4)	479	(54)	N.M.
-	-	-	-	-	-
(99)	(222)	(55.4)	479	(54)	N.M.
126	(2,129)	N.M.	50	(2,894)	N.M.

N.M.: Not Meaningful

Note:

(i) Profit/(Loss) before income tax was determined after (charging)/crediting the following:

	Group			Group		
	Q2 FY2016 US\$'000	Q2 FY2015 US\$'000	Increase/ (Decrease) %	1H FY2016 US\$'000	1H FY2015 US\$'000	Increase/ (Decrease) %
Interest income	5	6	(16.7)	12	15	(20.0)
Interest expense on borrowings	(184)	(15)	N.M.	(324)	(20)	N.M.
Loss on foreign exchange	(255)	(486)	(47.5)	(63)	(78)	(19.2)
Loss on disposal of property, plant and equipment	-	-	-	-	(45)	(100.0)
Depreciation of property, plant and equipment	(637)	(382)	66.8	(1,232)	(797)	54.6
Amortisation of intangible assets	(38)	(88)	(56.8)	(76)	(176)	(56.8)
Allowance for inventory obsolescence	(117)	(253)	(53.8)	(327)	(253)	29.2
Operating lease expense	(841)	(358)	134.9	(1,683)	(787)	113.9
Research and development expense	(366)	(76)	381.6	(755)	(388)	94.6

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30 Jun 2016	31 Dec 2015	30 Jun 2016	31 Dec 2015
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Non-current Assets				
Property, plant and equipment	13,991	13,896	-	1
Investments in subsidiaries	-	-	53,328	53,155
Goodwill	9,352	9,352	-	-
Intangible assets	3,065	3,069	-	-
Available-for-sale financial assets	8	8	-	-
Deferred tax assets	685	723	-	-
Other receivables and prepayments	56	56	7,677	8,262
	27,157	27,104	61,005	61,418
Current Assets				
Due from subsidiaries	-	-	133	139
Inventories	26,778	27,859	-	-
Trade receivables	17,383	21,306	-	-
Other receivables and prepayments	2,587	3,973	5,705	5,705
Tax receivables	653	431	-	-
Cash and cash equivalents	12,479	8,866	4,001	1,637
	59,880	62,435	9,839	7,481
Total assets	87,037	89,539	70,844	68,899
EQUITY AND LIABILITIES				
Equity				
Share capital	60,423	60,423	74,240	74,240
Treasury shares	(1,656)	(1,656)	(1,656)	(1,656)
Reserves	(4,082)	(4,305)	(12,552)	(11,202)
Total equity	54,685	54,462	60,032	61,382
Non-current Liabilities				
Other payables	944	1,333	-	-
Deferred tax liabilities	172	171	-	-
	1,116	1,504	-	-
Current Liabilities				
Due to subsidiaries	-	-	7,790	4,653
Trade payables	17,775	19,392	-	-
Other payables	7,712	8,524	2,937	2,779
Borrowings	5,599	5,348	-	-
Provision for income tax	150	309	85	85
	31,236	33,573	10,812	7,517
Total liabilities	32,352	35,077	10,812	7,517
Total equity and liabilities	87,037	89,539	70,844	68,899

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30 Jun 2016		As at 31 Dec 2015	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
5,599	-	5,348	-

Amount repayable after one year

As at 30 Jun 2016		As at 31 Dec 2015	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
-	-	-	-

Details of any collateral

The loans of US\$5,599,000 were secured over the subsidiaries' bank deposit of US\$400,000, cash collateral of US\$1,000,000 and corporate guarantees provided by the Company.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	Q2 FY2016 US\$'000	Q2 FY2015 US\$'000	1H FY2016 US\$'000	1H FY2015 US\$'000
Cash Flows from Operating Activities				
Profit/(Loss) before income tax	287	(1,753)	(343)	(2,582)
Adjustments for:				
Depreciation of property, plant and equipment	637	382	1,232	797
Amortisation of intangible assets	38	88	76	176
Loss on disposal of property, plant and equipment	-	-	-	45
Allowance for inventory obsolescence	117	253	327	253
Unrealised exchange (gain)/loss	(6)	183	219	162
Interest income	(5)	(6)	(12)	(15)
Interest expense	184	15	324	20
Share-based payments	86	24	173	46
Operating cash flow before working capital changes	1,338	(814)	1,996	(1,098)
Changes in working capital:				
Inventories	823	(1,210)	761	411
Trade receivables	(404)	(492)	3,955	705
Other receivables and prepayments	1,564	448	1,335	(500)
Trade and other payables	815	4,963	(3,116)	3,316
Cash generated from operating activities	4,136	2,895	4,931	2,834
Interest paid	(140)	(15)	(232)	(20)
Income tax paid	(50)	(271)	(305)	(452)
Net cash generated from operating activities	3,946	2,609	4,394	2,362
Cash Flows from Investing Activities				
Interest received	5	9	12	15
Purchase of property, plant and equipment	(458)	(105)	(1,115)	(235)
Increase in capitalised development cost	-	(265)	-	(265)
Decrease/(Increase) in restricted cash	5	(2,966)	5	(2,781)
Net cash used in investing activities	(448)	(3,327)	(1,098)	(3,266)
Cash Flows from Financing Activities				
Proceeds from borrowings	10,753	2,640	23,634	2,640
Repayment of borrowings	(12,026)	(166)	(23,304)	(166)
Dividends paid	-	(1,078)	-	(1,078)
Purchase of treasury shares	-	(3,749)	-	(7,173)
Sale of treasury shares	-	2,361	-	2,361
Net cash (used in)/generated from financing activities	(1,273)	8	330	(3,416)
Net increase/(decrease) in cash and cash equivalents	2,225	(710)	3,626	(4,320)
Cash and cash equivalents at the beginning of the period	9,011	16,598	7,448	20,555
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(170)	67	(8)	(280)
Cash and cash equivalents at the end of the period⁽ⁱ⁾	11,066	15,955	11,066	15,955

Note:

- (i) For the purpose of presentation in the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

	Q2 FY2016	Q2 FY2015	1H FY2016	1H FY2015
	US\$'000	US\$'000	US\$'000	US\$'000
Cash and bank balances	12,036	18,733	12,036	18,733
Fixed deposits	443	650	443	650
	<hr/>	<hr/>	<hr/>	<hr/>
	12,479	19,383	12,479	19,383
Less: Restricted cash*	(1,413)	(3,428)	(1,413)	(3,428)
	<hr/>	<hr/>	<hr/>	<hr/>
Cash and cash equivalents per the consolidated statement of cash flows	11,066	15,955	11,066	15,955

* Restricted cash includes cash collateral amounted to US\$1,000,000 (1H FY2015: Nil) and fixed deposits amounted to US\$400,000 (1H FY2015: US\$400,000) pledged with the banks for facilities and loans granted to the Group. As at 30 June 2016, the Group had utilised US\$5,599,000 of the facilities and loans granted.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital US\$'000	Treasury shares US\$'000	Merger reserves US\$'000	Capital redemption reserves US\$'000	Share options reserve US\$'000	Capital reserve US\$'000	Foreign currency translation reserve US\$'000	Retained profits US\$'000	Total US\$'000
Balance as at 1 Jan 2016	60,423	(1,656)	(10,150)	6	353	(3,786)	(1,281)	10,553	54,462
Share-based payments	-	-	-	-	87	-	-	-	87
Loss for the period	-	-	-	-	-	-	-	(654)	(654)
Other comprehensive income:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	578	-	578
Total other comprehensive income/(loss) for the period	-	-	-	-	-	-	578	(654)	(76)
Balance as at 31 Mar 2016	60,423	(1,656)	(10,150)	6	440	(3,786)	(703)	9,899	54,473
Share-based payments	-	-	-	-	86	-	-	-	86
Profit for the period	-	-	-	-	-	-	-	225	225
Other comprehensive loss:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	(99)	-	(99)
Total other comprehensive (loss)/income for the period	-	-	-	-	-	-	(99)	225	126
Balance as at 30 Jun 2016	60,423	(1,656)	(10,150)	6	526	(3,786)	(802)	10,124	54,685
Balance as at 1 Jan 2015	60,423	(3,421)	(10,150)	6	131	642	(360)	12,812	60,083
Purchase of treasury shares	-	(3,424)	-	-	-	-	-	-	(3,424)
Share-based payments	-	-	-	-	22	-	-	-	22
Loss for the period	-	-	-	-	-	-	-	(933)	(933)
Other comprehensive income:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	168	-	168
Total other comprehensive loss for the period	-	-	-	-	-	-	168	(933)	(765)
Balance as at 31 Mar 2015	60,423	(6,845)	(10,150)	6	153	642	(192)	11,879	55,916
Purchase of treasury shares	-	(3,749)	-	-	-	-	-	-	(3,749)
Sale of treasury shares	-	2,777	-	-	-	(416)	-	-	2,361
Share-based payments	-	-	-	-	24	-	-	-	24
Payment of dividends	-	-	-	-	-	-	-	(1,078)	(1,078)
Transfer to capital reserve in accordance with statutory requirements	-	-	-	-	-	53	-	(53)	-
Loss for the period	-	-	-	-	-	-	-	(1,907)	(1,907)
Other comprehensive loss:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	(222)	-	(222)
Total other comprehensive loss for the period	-	-	-	-	-	-	(222)	(1,907)	(2,129)
Balance as at 30 Jun 2015	60,423	(7,817)	(10,150)	6	177	279	(414)	8,841	51,345

Company	Share capital US\$'000	Treasury shares US\$'000	Share options reserve US\$'000	Capital reserve US\$'000	Foreign currency translation reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 Jan 2016	74,240	(1,656)	353	(4,481)	(2,067)	(5,007)	61,382
Share-based payments	-	-	87	-	-	-	87
Loss for the period	-	-	-	-	-	(527)	(527)
Other comprehensive loss:							
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive loss for the period	-	-	-	-	-	(527)	(527)
Balance as at 31 Mar 2016	74,240	(1,656)	440	(4,481)	(2,067)	(5,534)	60,942
Share-based payments	-	-	86	-	-	-	86
Loss for the period	-	-	-	-	-	(996)	(996)
Other comprehensive loss:							
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive loss for the period	-	-	-	-	-	(996)	(996)
Balance as at 30 Jun 2016	74,240	(1,656)	526	(4,481)	(2,067)	(6,530)	60,032
Balance as at 1 Jan 2015	74,240	(3,421)	131	-	1,714	(11,046)	61,618
Purchase of treasury shares	-	(3,424)	-	-	-	-	(3,424)
Share-based payments	-	-	22	-	-	-	22
Loss for the period	-	-	-	-	-	(294)	(294)
Other comprehensive loss:							
Exchange differences on translating foreign operations	-	-	-	-	(2,296)	-	(2,296)
Total other comprehensive loss for the period	-	-	-	-	(2,296)	(294)	(2,590)
Balance as at 31 Mar 2015	74,240	(6,845)	153	-	(582)	(11,340)	55,626
Purchase of treasury shares	-	(3,749)	-	-	-	-	(3,749)
Sale of treasury shares	-	2,777	-	(416)	-	-	2,361
Share-based payments	-	-	24	-	-	-	24
Payment of dividends	-	-	-	-	-	(1,078)	(1,078)
Profit for the period	-	-	-	-	-	3,156	3,156
Other comprehensive income:							
Exchange differences on translating foreign operations	-	-	-	-	1,318	-	1,318
Total other comprehensive income for the period	-	-	-	-	1,318	3,156	4,474
Balance as at 30 Jun 2015	74,240	(7,817)	177	(416)	736	(9,262)	57,658

- 1(d)(ii) Details of any changes in the 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 the previous period reported on.**

State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

1H FY2016	No. of shares	US\$'000
Balance as at 1 Jan 2016 and 30 Jun 2016	271,662,227	72,584
1H FY2015	No. of shares	US\$'000
Balance as at 1 Jan 2015	269,059,299	70,819
Purchase of treasury shares	(11,610,000)	(3,424)
Balance as at 31 Mar 2015	257,449,299	67,395
Purchase of treasury shares	(15,004,900)	(3,749)
Sale of treasury shares	12,000,000	2,777
Balance as at 30 Jun 2015	254,444,399	66,423

There were 10,740,072 and 27,957,900 treasury shares held by the Company as at 30 June 2016 and 30 June 2015 respectively.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	30 Jun 2016	31 Dec 2015
Total number of issued shares excluding treasury shares	271,662,227	271,662,227

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

1H FY2016	No. of shares	US\$'000
Balance as at 1 Jan 2016 and 30 Jun 2016	10,740,072	1,656

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

These figures have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The accounting policies and methods of computation have been applied consistently for the current financial period ended 30 June 2016 as those used in the audited financial statements for the year ended 31 December 2015, except for the adoption of the new or revised International Financial Reporting Standards ("IFRS") applicable for the financial period beginning 1 January 2016.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all of the new or revised IFRS that are effective for the financial period beginning 1 January 2016 and are relevant to its operations. The adoption of these IFRS does not have financial impact on the Group's financial position or results.

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

Earnings per ordinary share of the Group, after deducting any provision for preference dividends	Group		Group	
	Q2 FY2016 US\$	Q2 FY2015 US\$	1H FY2016 US\$	1H FY2015 US\$
(a) Based on weighted average number of ordinary shares on issue; and	0.08 cent	(0.74) cent	(0.16) cent	(1.10) cents
(b) On a fully diluted basis	0.08 cent	(0.74) cent	(0.16) cent	(1.09) cents
Weighted average number of ordinary shares used in computation of basic earnings per share	271,662,227	258,234,120	271,662,227	258,234,120
Weighted average number of ordinary shares used in computation of diluted earnings per share	271,662,227	259,391,176	271,662,227	259,391,176

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30 Jun 2016 US\$	31 Dec 2015 US\$	30 Jun 2016 US\$	31 Dec 2015 US\$
Net asset value ("NAV") per ordinary share based on issued share capital	20.13 cents	20.05 cents	22.10 cents	22.59 cents
Total number of issued shares	271,662,227	271,662,227	271,662,227	271,662,227

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of Financial Performance

Revenue

The Group's revenue increased by US\$6.6 million, or 24.4%, to US\$33.5 million in Q2 FY2016 from US\$26.9 million in Q2 FY2015. The Group recognised three months' revenue contribution of US\$11.3 million in Q2 FY2016 from its latest acquisition, Satellite Acquisition Corporation ("Skyware Global"), headquartered in North Carolina, United States ("US"). The impact of the technology changes experienced during FY2015 continued to affect the Group's largest customer in America, with revenues reduced by US\$3.5 million in Q2 FY2016, bringing the total reduction in 1H FY2016 to US\$8.6 million against 1H FY2015. The Group also saw a US\$2.7 million reduction in its Contract Manufacturing segment against Q2 FY2015.

By geography, with the inclusion of Skyware Global, revenue for Q2 FY2016 from America increased by US\$9.1 million (+64.0%); offset by a fall in revenue from Europe, Asia and the Rest of the World by US\$0.5 million (-6.2%), US\$1.5 million (-46.9%) and US\$0.6 million (-38.0%), respectively, against Q2 FY2015.

Gross Profit

Gross profit increased by US\$2.0 million or 37.6% to US\$7.3 million in Q2 FY2016 from US\$5.3 million in Q2 FY2015. Gross profit margin improved to 21.8% in Q2 FY2016 from 19.7% in Q2 FY2015. With the exclusion of Skyware Global, gross profit margin would have risen by 8.7% against Q2 FY2015 to 28.4% in Q2 FY2016. The increased gross profit margin, excluding Skyware Global products, resulted from a favourable product mix variation and the reduced volume of products going to the Group's largest customer. The inclusion of Skyware Global products reduced the percentage as they typically attract a lower gross profit margin than other Group products.

Distribution Costs

Distribution costs increased in line with the rise in sales and marketing activities following the acquisition of Skyware Global.

Administrative Expenses

Administrative expenses decreased marginally to US\$6.5 million in Q2 FY2016 from US\$6.6 million in Q2 FY2015, representing 19.4% and 24.5% of revenue, respectively; although the former included US\$1.2 million in manpower and expenses for Skyware Global in Q2 FY2016, which was not present in Q2 FY2015. A reduction in legal costs, the 2015 restructuring and rationalisation exercise at the Group's UK operations, and its programme of streamlining internal efficiencies following Skyware Global's acquisition have translated into operational cost savings in Q2 FY2016 against Q2 FY2015. One of the UK operations completed a further restructuring and rationalisation exercise in Q2 FY2016 at a cost of US\$0.4 million which is expected to bring cost savings in the following quarters.

Other Operating Expenses

Other operating expenses decreased by US\$0.2 million or 47.5% to US\$0.3 million in Q2 FY2016 from US\$0.5 million in Q2 FY2015, mainly attributable to foreign exchange gains from the strengthening of the US Dollar against the British Pound.

Finance Costs

The increase in finance costs was mainly attributable to borrowings in Q2 FY2016 relating to Skyware Global and interest payable on shareholders' loans which were not present in Q2 FY2015.

Profit before Tax & Net Profit

The Group recorded a profit before tax of US\$0.3 million in Q2 FY2016 from a loss before tax of US\$1.8 million in Q2 FY2015, with a margin of 0.9% compared to a negative margin of 6.5%, respectively. On an organic basis, excluding the loss from Skyware Global, the Group would have posted a profit before tax in the quarter of US\$0.7 million.

Overall, the Group posted a net profit of US\$0.2 million in Q2 FY2016 compared to a net loss of US\$1.9 million in Q2 FY2015, with a margin of 0.7% compared to a negative margin of 7.1%, respectively. On an organic basis, excluding Skyware Global, the Group would have posted a net profit of US\$0.6 million.

Review of Financial Position

Non-current assets increased mainly attributable to the addition of property, plant and equipment.

Net current assets decreased by US\$0.3 million to US\$28.6 million as at 30 June 2016 compared to US\$28.9 million as at 31 December 2015. Better internal control and improved collections resulted in inventories, trade and other receivables, and trade and other payables decreasing by US\$1.1 million, US\$5.3 million and US\$2.4 million, respectively. Borrowings increased by US\$0.3 million to US\$5.6 million. Cash and cash equivalents improved by US\$3.6 million to US\$12.5 million, and net tax receivables increased by US\$0.4 million to US\$0.5 million as at 30 June 2016.

Non-current liabilities decreased by US\$0.4 million due to the release of a provision for litigation that the Group settled with a former supplier.

The Group's net asset value stood at US\$54.7 million as at 30 June 2016, compared to US\$54.5 million as at 31 December 2015.

Review of Cash Flows

Net cash generated from operating activities was US\$3.9 million, comprising cash inflow from operating cash activities before working capital changes of US\$1.3 million, net working capital inflow of US\$2.8 million and payment of interest and income tax expense of US\$0.2 million.

Net cash used in investing activities was US\$0.4 million, mainly comprising the purchase of machinery and equipment.

Net cash used in financing activities was US\$1.3 million, arising from the repayment of borrowings.

Overall, the Group recorded a net increase in cash and cash equivalents of US\$2.2 million in Q2 FY2016, bringing cash and cash equivalents per the consolidated statement of cash flows to US\$11.1 million as at 30 June 2016.

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

No forecast or prospect statement was made by the Company in the previous announcement made on 12 May 2016.

10. A commentary at the date of the announcement of the significant trends and 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.

Despite global concerns about Britain's economic prospects following its decision in June to leave the European Union ("Brexit"), the Group remains upbeat about its Satellite Communications ("Sat Comms") business around the world.

Following the initial depreciation of the British Pound against major currencies in the wake of Brexit, the Group anticipates a possible short-term, foreign exchange benefit against its UK-based costs, which predominately consist of research and development. It does not anticipate a significant adverse impact on revenue from sales of the Group's Sat Comms, which are predominately transacted in US Dollars, as well as the majority of its raw material spend.

The global satellite manufacturing and launch market is expected to grow at a CAGR of 5.14% between 2014 and 2019.* Notably, developing markets in Latin America, the Middle East and Southeast Asia offer plenty of potential for the adoption of new satellite services.

Since the acquisition of Skyware Global on 24 August 2015, the Group has progressed in its plans to fully consolidate its US supply chain, introduced new quality-control measures for production, strengthened its management team, and increased sales and marketing activities in South America, Asia, Africa and Europe. Multi-channel initiatives to drive sales have been rolled out with sales teams actively promoting all of the Group's products across all geographical markets.

The Group has secured new VSAT orders from major telecommunications service providers and suppliers in the US and Indonesia, as well as a leading US broadcaster that intends to launch two satellites later in the year. The Group will recognise Skyware Global's first full-year revenue contributions in FY2016.

Meanwhile, the satellite ground equipment industry is undergoing a significant technology change with the introduction of digital channel stacking ("DCS"), which allows up to 32 continuous video streams from a single Low Noise Block ("LNB"). This impacted the Group's FY2015 performance as major customers had to destock. This is expected to persist in 2H FY2016.

The Group is in the process of completing research on next-generation LNBs that support DCS, positioning it for improved sales pending qualification from a main customer. Following this, the Group will supply similar LNBs to other customers.

**Source: The Satellite Industry Association's 2015 State of the Satellite Industry Report*

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the six months period ended 30 June 2016.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPTs mandate has been obtained, a statement to that effect.

The Company does not have a shareholders' mandate for IPTs and there were no IPTs for the six months period ended 30 June 2016.

14. Confirmation that the Company has procured undertaking from all its directors and executive officers pursuant to Rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

CONFIRMATION BY THE BOARD OF DIRECTORS (THE "BOARD") PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

We do hereby confirm, for and on behalf of the Board of Global Invacom Group Limited (the "Company"), that to the best of our knowledge, nothing has come to the attention of the Board of the Company which may render the financial results for the six months period ended 30 June 2016 to be false or misleading in any material aspect.

On behalf of the Board

Anthony Brian Taylor
Director

Matthew Jonathan Garner
Director

BY ORDER OF THE BOARD
Anthony Brian Taylor
Chairman

4 August 2016