



## **Singapore and U.K. AIM Market-listed Global Invacom Group Extends Turnaround, Reports Net Profit of US\$0.7 Million in Q3 FY2016**

- *Net profit of US\$0.7 million (Q3 FY2015: US\$2.7 million loss)*
- *Gross profit of US\$7.2 million (Q3 FY2015: US\$6.3 million)*
- *Secured approval to supply next-generation products; positioned for improved sales*

**Singapore, 11 November 2016 – Global Invacom Group Limited (“Global Invacom” or “the Group”)**, a satellite communications (“Sat Comms”) equipment provider listed on the Singapore Exchange and the U.K. AIM Market, today announces a net profit of US\$0.7 million for the three months ended 30 September 2016 (“Q3 FY2016”) compared to a US\$2.7 million loss a year earlier.

The second consecutive quarter of profitability came on the back of increased demand in the United States for the Group’s electronics products. Net profit for the nine months ended 30 September 2016 (“9M FY2016”) was US\$0.3 million compared to a loss of US\$5.6 million in 9M FY2015.

Revenue for Q3 FY2016 was basically flat, down 0.4% to US\$32.1 million from US\$32.2 million in Q3 FY2015, due mainly to a US\$2.4 million reduction in the Electronics Manufacturing Services and lower year-on-year sales orders in Asia. However, revenue for 9M FY2016 rose 11.8% to US\$96.3 million from US\$86.2 million a year ago.

With the inclusion of Global Skyware, Q3 FY2016 revenue from America and Europe rose US\$2.3 million (+11.9%) and US\$0.5 million (+6.9%), respectively, offset by a fall in revenue from Asia and the Rest of the World by US\$2.1 million (-61.5%) and US\$0.8 million (-54.6%), respectively.

Gross profit increased by US\$0.9 million, or 15.4%, to US\$7.2 million in Q3 FY2016 from US\$6.3 million in Q3 FY2015. Gross profit margin improved to 22.6% from 19.5% due to a favourable product mix, improved efficiencies and tighter factory cost control.

Administrative expenses fell 34.1% to US\$5.7 million in Q3 FY2016 from US\$8.7 million in Q3 FY2015, representing 17.9% and 27.1% of revenue, respectively. This was due to the absence of professional fees in relation to the Global Skyware acquisition, lower legal costs related to a dispute in Q3 FY2015 and cost savings arising from restructuring and rationalisation in FY2016.

Earnings per share on a fully diluted basis was 0.26 U.S. cent in Q3 FY2016 compared to a loss per share of 1.04 U.S. cents in Q3 FY2015. Net asset value per share improved to 20.31 U.S. cents as at 31 September 2016 compared to 20.05 U.S. cents as at 31 December 2015.

The Group has completed the first phase of research and development for next-generation Low Noise Block (“LNB”) products that support digital channel stacking switch (“DCSS”) technology, and has secured production approval for volume supply to its largest customer, which will commence in Q4 FY2016. The Group will complete R&D and deploy DCSS technology across its LNBs for all customers and territories over the next 12 months.

Mr. Tony Taylor, Executive Chairman of Global Invacom, said, "The Group-wide restructuring and cost improvement has clearly contributed to our second consecutive quarter of profit. We have consolidated our supply chain, strengthened our management team and widened our sales network. We will continue to build on this momentum to drive sustainable growth and strengthen our global leadership in the R&D and production of Sat Comms equipment."

**\*\*End of Press Release\*\***

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**About Global Invacom Group Limited**

Global Invacom Group Limited ("Global Invacom") is listed on the Singapore Exchange Securities Trading Limited Mainboard ("SGX-ST") and its shares are admitted to trading on the AIM Market of the London Stock Exchange in the U.K.

Global Invacom is a fully integrated satellite equipment provider with seven manufacturing plants across China, Israel, Malaysia, U.K. and the U.S. Its customers include satellite broadcasters such as BSkyB of the U.K. and Dish Network of the U.S.

On 24 August 2015, Global Invacom completed the acquisition of Global Skyware, a leading U.S.-based designer and supplier of satellite antennas products and services for C-band, Ku-band and Ka-band frequency platforms, positioning itself as the world's only full-service outdoor unit supplier.

Global Invacom provides a full range of dish antennas, LNB receivers, transmitters, switches and video distribution components and electronics manufacturing services in satellite communications as well as manufacturing services in TV peripherals, computer peripherals, medical, and consumer electronics industries.

For more information, please refer to [www.globalinvacom.com](http://www.globalinvacom.com)