

Singapore and U.K. AIM-listed Global Invacom Group Reports Eight-Fold Rise in 9M FY2017 Net Profit To US\$2.2 Million, Driven By Improved Efficiencies After Restructuring China Operations

- **Administrative expenses for 9M FY2017 fell by 16.1% to US\$15.5 million following last year's consolidation of two Chinese facilities into one**
- **Net profit of US\$2.2 million for 9M FY2017 (9M FY2016: US\$0.3 million)**
- **Achieves third consecutive quarter of profit in Q3 FY2017**

Singapore, 9 November 2017 – 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 announced an eight-fold increase in net profit to US\$2.2 million for the nine months ended 30 September 2017 (“9M FY2017”) propelled by efficiencies following a restructuring of its China manufacturing operations.

The Group, which continued the development of strong quality controls and strengthened its cost management, also benefited from the consolidation of operations in the People's Republic of China that took place at the end of 2016, as it sharpened focus on its core business of making satellite-related products. The improved efficiencies helped lower administrative expenses for 9M FY2017 by 16.1% to US\$15.5 million from US\$18.5 million a year ago.

Group revenue for 9M FY2017 declined 10.8% to US\$85.9 million, reflecting the reduction in revenue from contract manufacturing activities previously carried out in Shenzhen. On a geographical basis, the reduced revenue was due to lower contributions from America (-6.6%) and Europe (-28.4%), which was partially offset by higher contributions from Asia (+0.8%) and the Rest of the World (+18.0%).

9M FY2017 gross profit dropped 11.3% to US\$17.9 million from US\$20.2 million a year ago on lower revenue. Nonetheless, gross profit margins remained relatively level at 20.9% against 21.0% in 9M FY2016.

The Group achieved a US\$0.7 million net profit for the three months ended 30 September 2017 (“Q3 FY2017”) – its third consecutive profitable quarter – unchanged from a year ago despite lower revenues (Q3 FY2017: US\$28.5 million compared to Q3 FY2016: US\$32.1 million).

Q3 FY2017 gross profit decreased to US\$6.1 million from US\$7.2 million in Q3 FY2016. Gross profit margin decreased to 21.4% in Q3 FY2017 from 22.6% in Q3 FY2016, which had included a number of high-margin product sales that were not present in Q3 FY2017.

Earnings per share (“EPS”) on a fully diluted basis came to 0.80 U.S. cent for 9M FY2017 (9M FY2016: 0.10 U.S. cent) and 0.25 U.S. cent for Q3 FY2017 (Q3 FY2016: 0.26 U.S. cent). Net asset value per share rose to 20.14 U.S. cents as at 30 September 2017 from 19.26 cents as at 31 December 2016.

Cash and cash equivalents as at 30 September 2017 amounted to US\$8.9 million, a net increase of US\$0.9 million in 9M FY2017.

During the period, the Group also began supplying a triple-feed Low Noise Block (“LNB”) utilising Digital Channel Stacking Switch (“DCSS”) technology that allows up to 32 continuous video streams. The LNBs are being sold to one of the Group’s major customers, a U.S. broadcaster. The Group continues to leverage its position as a leader in the global satellite communication sector, combining its unique abilities in strong electrical and antenna R&D with established customer relationships and a global manufacturing footprint. It sees good opportunities amidst more launches of satellites to support data services and anticipates higher demand for VSAT products and services.

In the U.K., it successfully live-tested breakthrough technology for live HD large-scale event video streaming over WiFi.

Mr Tony Taylor, Executive Chairman of Global Invacom, said, “Our plan to restructure our supply chain and strengthen our manufacturing capabilities has generated significant cost savings, improved efficiencies across our global footprint and strengthened our foundations in manufacturing and supply chain.”

“While helping our key satellite broadcasting customers transition to new technology, we will also strive to offer new satellite communication products while further improving operational efficiencies,” he added.

The Group expects to continue deploying DCSS-generation technology across more LNBs, including those in design and pending approval, for other customers and territories.

****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 six 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.A.

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