

Extraordinary General Meeting



Radiance Group Limited



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Proposed Reverse Takeover of:

SGX-Listed Radiance Group Limited

By

Global Invacom Holdings Limited

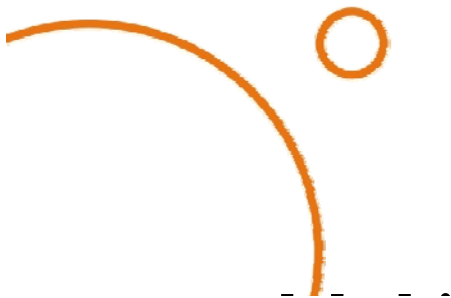
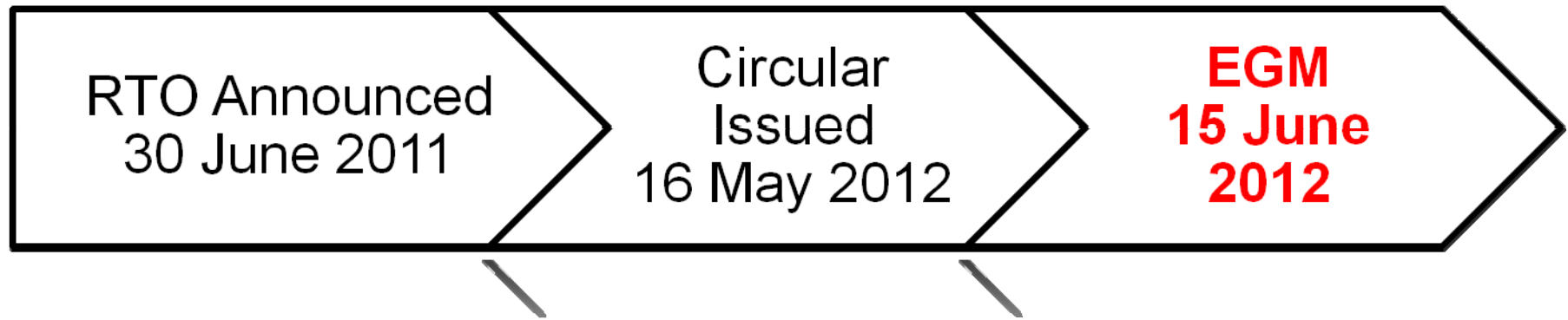


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Recap: Background to EGM





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Challenges Facing Radiance

- **Core Business: Electronic Manufacturing Services**
 - Facilities in Shenzhen & Shanghai
- **EMS facing 3 major challenges:**
 - Foreign exchange (stronger RMB vs. USD)
 - Rising Labour Costs
 - Rising Material Costs

(Most players lack IP and hence cannot provide value-added capabilities)





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Radiance's Financials – A Snapshot

	FY 2011	FY 2010
Revenue (S\$)	104.7 M	85.2 M
Net Profit After Tax (S\$)	5.5 M	5.8 M
Net Tangible Assets Per Share (S\$)	16.14 Cents	14.48 Cents

- Issued share capital base: 263.77M.
- Current major shareholder: *Vistra Corporate Services Limited* which holds 59.08% as trustee of *The Pacific Trust*



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Radiance - FY2011 Performance

- Global Invacom, RGL's largest customer, contributed S\$45.3M - Sat Comms revenue (>50% of RGL's total revenue from FY2009 – FY2011)
- Non Sat Comms benefited from 1H 2011 one-off contract
 - Contributed to S\$10.3M increase in revenue in Other Product segment in 1H, S\$15M full year
 - No repeat so far in FY2012 of new one-off (non Sat Comms) order of this size
 - Significant Revenue and Earnings decline in 1H FY2012





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Radiance's Future



Prospects based on Status Quo:

1. Lack of IP would mean constant margin squeeze; Additionally, customers expect more value-added EMS (Design, Advanced Engineering, etc.)
2. Slowdown in Europe has led to weaker, delayed orders, price cutting and consolidation of weaker EMS players in PRC





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About GIHL



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- UK-based Group which arose from 2008 merger of Global Communications and Invacom
- One of seven companies worldwide involved in R&D, design and supply of Sat Comm products to large-scale satellite broadcasters (e.g. BSkyB and DISH Networks)





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About GIHL: *Our Core Business*

Satellite TV

Broadcasting Satellite

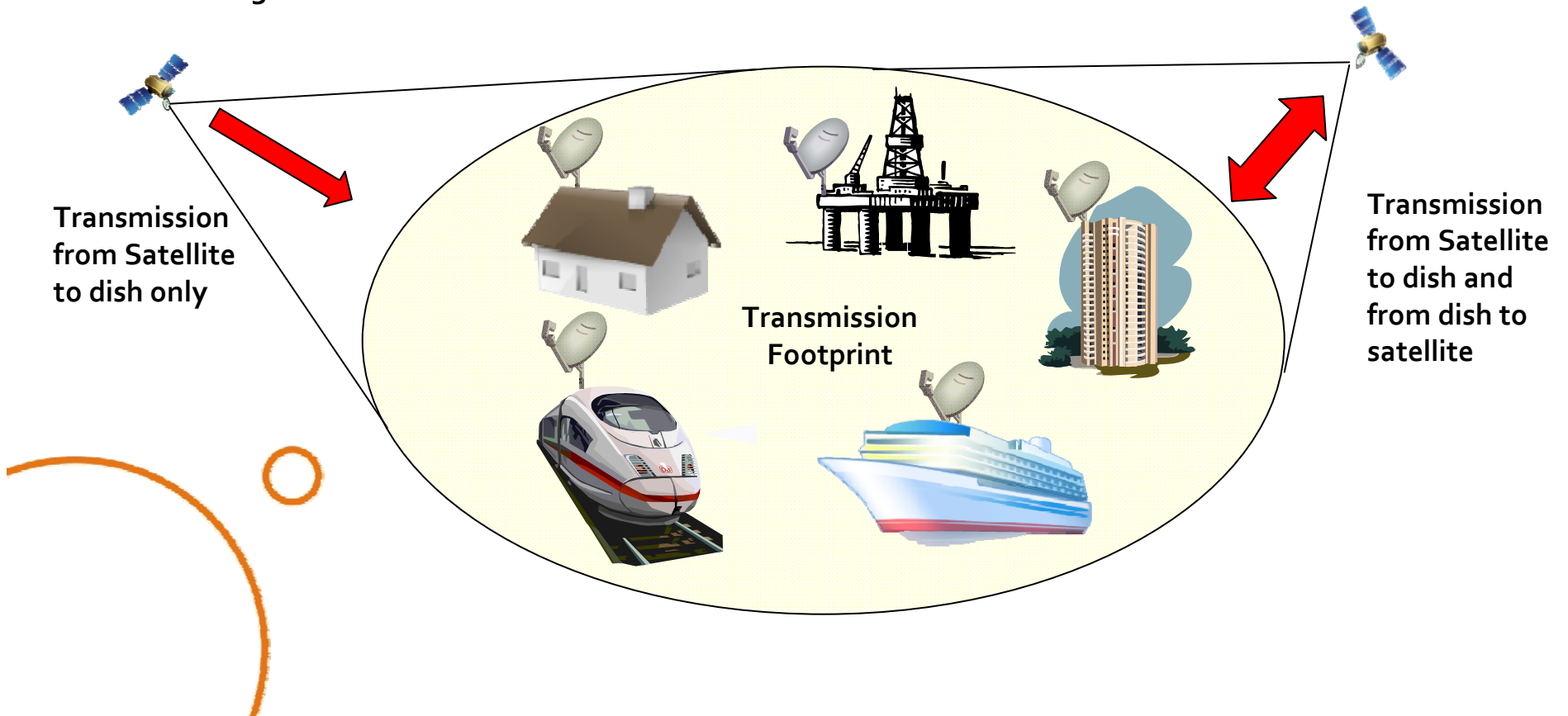
Satellite Broadband

Broadcasting Satellite

Transmission
from Satellite
to dish only

Transmission
from Satellite
to dish and
from dish to
satellite

Transmission
Footprint





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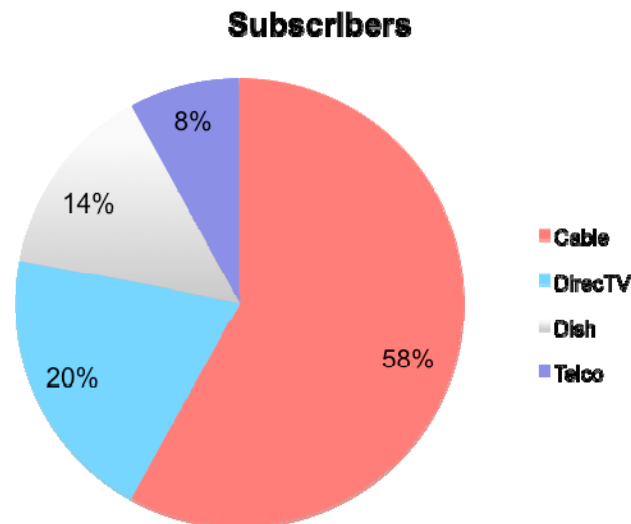


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Good Prospects for *SatCom Business*

USA:

- 34% Pay TV households Satellite
- 58% Pay TV Cable (but reducing YoY)



Europe:

- Satellite is the leading TV infrastructure
- In 2008 – 2012:
 - Satellite TV subscriber growth rate of 22%
 - Terrestrial TV lost 16M homes
 - Cable lost 2M households
 - Satellite reaches 44% of all 186M digital TV homes and is still growing



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GIHL: *Financial Snapshot*

	FY 2011	FY 2010
Revenue (US\$)	62.9 M	53.4 M
Net Profit After Tax (US\$)	4.1 M	-5.9 M
Net Tangible Assets Per Share (US\$)	35.39 Cents	26.07 Cents

Cash Generative:

- GIHL History of Dividends (equivalents) (2007-2010)
- Investments (2009-2011): US\$24M (incl. RGL - US\$8.6M)
- No Debt
- FY2010 cash generative: PAT stated net of \$8.6m non-cash one-off cost [Pacific Trust]





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About GIHL: *Revenue Breakdown*

Revenue (US\$m)	FY 2009	FY 2010	FY 2011
DBS*	64.3	44.6	52.8
Fibre	1.6	4.5	6.1
VSAT*	5.9	4.3	4.0
Total GIHL Group [Sat Comms]	71.8	53.4	62.9

* *DBS: Direct Broadcast Satellite*

VSAT: Very Small Aperture Terminal



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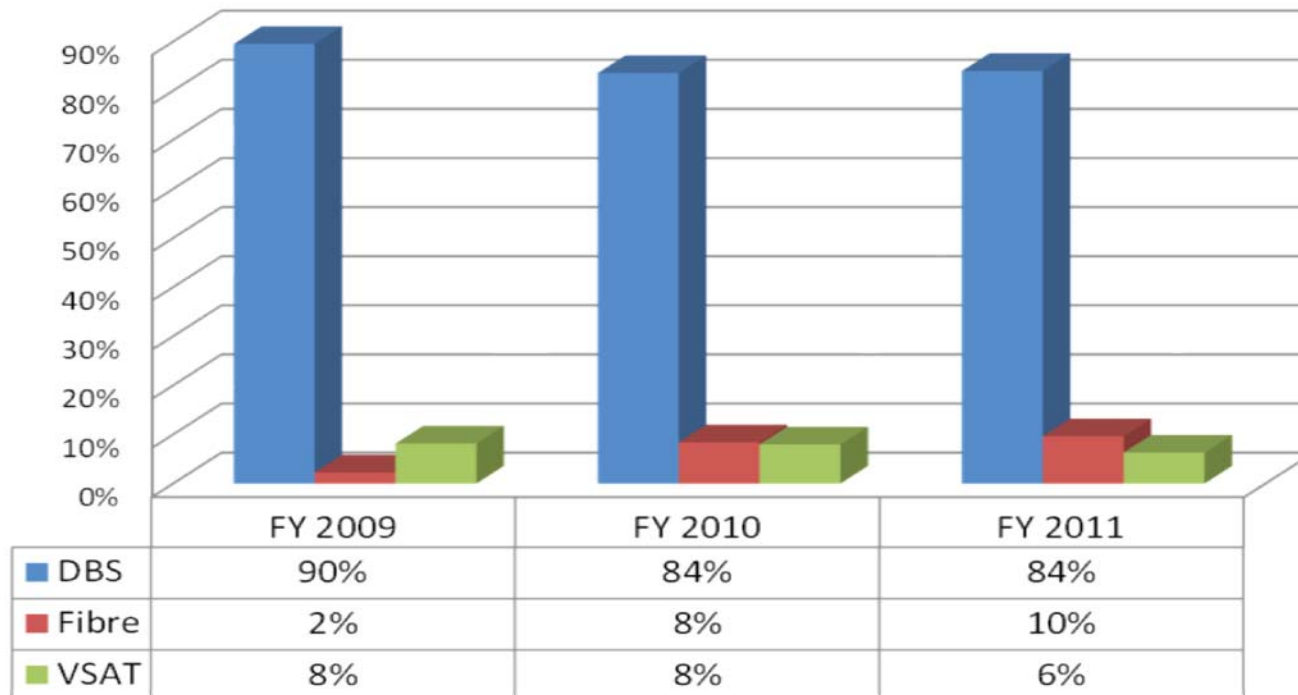


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About GIHL: *Financials*

Sat Comms : Revenue Mix

shift to higher margin Fibre Products





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GIHL's Involvement with Radiance – The History

GIHL had been a customer of Radiance since 1999

- GIHL now accounts for over half the sales revenue of Radiance

During 2008 (US subprime-led global financial crisis) Radiance's controlling shareholder, Thumb (China) Holdings Group Limited, faced financial difficulties

Controlling stake of Radiance was put up for public auction which GIHL acquired for S\$10.53 million (52.41% stake at purchase; since increased to 59.08% [shares held by The Pacific Trust])



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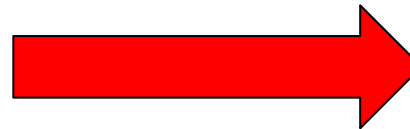


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Road To RTO

	Pre-2009	2009	2010	2011	2012	2013
	Thumb acquires control	Thumb faces liquidation	GIHL MGO	RTO announced	EGM	

RGL



Enlarged Group

GIHL



MBO
Acquires control of RGL





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Rationale for RTO



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Current Radiance EMS business seriously challenged, and is heavily dependent on GIHL

Powerful synergies to be derived from merger

- Streamlined supply chain
- Improved value proposition to end-customers (“Low tech to High tech”)

Inject experienced Management team to PRC facilities

Asian presence by GIHL can open up more opportunities in the region for Satcom business



Value Proposition – Post-RTO

Barriers to Entry

- RF Design capability
- Qualification process and timescales
- Product life-cycles of 3-5 years plus
- Customer relationships
- Investment costs

Growth potential

- DBS (34M USA 84M Europe Subs)
- Satellite Broadband (6M subs by 2020)
- Fibre Distribution (>128M MDU Potential)
- Wireless Distribution

Strong R&D investments

- US \$13.8M invested in R&D between 2009 to 2011
- 31 patent applications filed to date
- 30 design staff
- Technology leader – many firsts



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Outlook



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Group

- Create attractive high-tech entity listed on SGX
- Growth potential for Sat Comms, VSAT and Fibre
- Margin sustainability
- Strong R&D capabilities
- Vertical integration for GIHL

Market

- Marine Market
 - 30-40% Revenue Growth
- US Satellite Broadband
- Expansion in Asia-Pacific





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Terms of RTO

1. Acquisition of GIHL for US\$49M (*at a discount of 12.66% from valuation of US\$56.1M as of June 2011*) to be satisfied by US\$18.5M cash and US\$30.5M in new RGL shares.
2. Four-to-one consolidation of RGL shares before RTO (from 263.77M to 65.94M).
3. Allotment and issue of 122.52M new Consideration Shares at an issue price of S\$0.3087 each (S\$37.8M)





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Terms of RTO... cont'd

4. Allotment and issue of up to 41.54M Placement Shares pursuant to the Compliance Placement.
5. Termination of Radiance Electronics Share Option Scheme (ESOS) 2003
6. Adoption of Global Invacom Group Employee Share Option Scheme
7. Change of name of Company from "*Radiance Group Limited*" to "**Global Invacom Group Limited**"





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Terms of RTO... cont'd

	Before the Share Consolidation, the Acquisition and the Compliance Placement	After the Share Consolidation but before the Acquisition and the Compliance Placement	After the Share Consolidation and the Acquisition but before the Compliance Placement	After the Share Consolidation, the Acquisition and the Compliance Placement
Net profit of the Radiance Group for FY2011 (S\$'000)	5,481	5,481	5,481	5,481
Add: Net profit of the GIHL Group for FY2011 (S\$'000)	–	–	5,130	5,130
Add: Enlarged Group Consolidation Adjustment (S\$'000) ⁽¹⁾	–	–	1,265	1,265
Net profit of Enlarged Group (S\$'000)	5,481	5,481	11,876	11,876
Number of issued Shares	263,771,400	65,942,850	188,458,039	229,997,039
Earnings per new Share (cents)	2.1	8.3	6.3	5.2





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Enlarged Group:

Pro forma Revenue Breakdown (S\$m)



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Revenue (S\$m)	FY 2009	FY 2010	FY 2011
DBS*	93.6	61.1	66.3
Fibre	2.4	6.1	7.6
VSAT*	8.6	5.8	5.0
Total Sat Comms #	104.6	73.0	78.9
Contract Manufacturing	45.5	44.8	59.4
Enlarged Group Total	150.1	117.8	138.3

#Sat Comms accounts for 63% of revenue of enlarged group (on pro forma basis)

** DBS: Direct Broadcast Satellite*

VSAT: Very Small Aperture Terminal



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Pro Forma Financials of Enlarged Group



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Enlarged Group :

	FY 2010	FY 2011
Proforma EBITDA S\$m	15.7	17.9
Proforma PAT S\$m	10.5	11.9
Market Cap post Compliance Placement S\$m	71.0	
EBITDA multiple	4.5	4.0
P/E multiple	6.8	6.0

Multiples improved from FY 2010 to FY 2011

Note: FY2010 Pro forma results exclude one off costs of S\$11.7m associated with past services.



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Key Points To Note For RTO



- The majority shareholder, Pacific Trust, cannot vote at the EGM – decision solely in hands of minority shareholders
- Post-RTO and compliance placement, GIHL shareholders will hold directly 53.1% of enlarged share capital plus a deemed interest of 16.9% [via Pacific Trust]
- Total of direct holdings plus deemed interest: 70% (After Compliance Placement)





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Assuming RTO is Approved, What Next?

- Name change to Global Invacom Group Limited
- Full integration of business processes:
 - High-tech satellite communications specialist fully integrated with manufacturing operations in China.
 - Injection of new business platforms and added revenue streams
- Compliance placement
- The start of a new chapter



THANK YOU

