



**global invacom**  
completing the picture

## **GLOBAL INVACOM GROUP LIMITED**

(Incorporated in Singapore)  
(Company Registration No: 200202428H)  
8 Temasek Boulevard, #20-03 Suntec Tower Three, Singapore 038988  
Tel: 68848270 Fax: 68848273 Website: www.globalinvacom.com

### **FULL YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2013**

*DMG & Partners Securities Pte Ltd (“DMG”) was the financial adviser to Global Invacom Group Limited in relation to the acquisition of Global Invacom Holdings Limited. DMG assumes no responsibility for the contents of this announcement.*

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

#### **BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

- The Group's consolidated income statement, consolidated statement of cash flow and consolidated statement of changes in equity for the 12 months ended 31 December 2013 refer to the enlarged group results for the period from January to December 2013.
- The Group's consolidated income statement, consolidated statement of cash flow and consolidated statement of changes in equity for the 12 months ended 31 December 2012 refer to the results of the Global Invacom Holdings Limited and its subsidiaries (the “GIHL Group”) for the period from January to December 2012 and the results of the Radiance Group Limited and its subsidiaries for the period from July to December 2012.
- The Group's consolidated statements of financial position as at 31 December 2013 and 31 December 2012 refer to the enlarged group which consists of the assets and liabilities as at 31 December 2013 and 31 December 2012 respectively and the consolidated statement of financial position as at 31 December 2011 refer to that of the GIHL Group.
- The Company's statements of financial position as at 31 December 2013, 31 December 2012 and 31 December 2011 and the statements of changes in equity for the 12 months ended 31 December 2013 and 31 December 2012 refer to that of Global Invacom Group Limited (the “Company”).

Effective 1 January 2013, the Company changed its presentation currency from Singapore Dollars to United States Dollars (“USD” or “US\$”). The significant portions of the Group's revenue, expenses and cash flows are denominated in USD. The change in presentation currency is to better reflect the Company's and Group's business activities and will result in a more appropriate presentation of the Company's and Group's financial position and performance. It also improves shareholders' and investors' ability to compare the Company's and Group's financial results with other publicly traded business in the similar industry. All comparative figures for income and expense in the statement of comprehensive income have been translated at the average exchange rate for the financial period ended 31 December 2012 and assets and liabilities in the statement of financial position have been translated at the closing rate as at 31 December 2012 and 31 December 2011 respectively.

**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 year ended 31 December 2013. These figures have not been audited.

	<b>Group</b>		<b>Increase/ (Decrease) %</b>
	<b>FY2013 US\$'000</b>	<b>FY2012 US\$'000</b>	
<b>Revenue</b>	<b>115,750</b>	<b>74,697</b>	<b>55.0</b>
Cost of sales	(86,546)	(60,644)	42.7
Gross profit	29,204	14,053	107.8
Other income	702	42	N.M.
Distribution costs	(205)	(79)	159.5
Administrative expenses	(20,460)	(15,853)	29.1
Other operating expenses	-	(16,797)	N.M.
Finance income	40	20	100.0
Finance costs	(7)	(51)	(86.3)
<b>Profit/(Loss) before income tax<sup>(i)</sup></b>	<b>9,274</b>	<b>(18,665)</b>	<b>N.M.</b>
Income tax (expense)/credit	(1,236)	918	N.M.
<b>Profit/(Loss) after income tax attributable to equity holders of the Company</b>	<b>8,038</b>	<b>(17,747)</b>	<b>N.M.</b>
Other comprehensive (loss)/income			
- Exchange differences on translation of foreign operations	(255)	662	N.M.
<b>Total comprehensive income/(loss) for the year attributable to equity holders of the Company</b>	<b>7,783</b>	<b>(17,085)</b>	<b>N.M.</b>

N.M.: Not Meaningful

**Note:**

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

	<b>Group</b>		<b>Increase/ (Decrease) %</b>
	<b>FY2013 US\$'000</b>	<b>FY2012 US\$'000</b>	
Other Income	153	42	264.3
Gain/(Loss) on disposal of plant and equipment	91	(2)	N.M.
Gain/(Loss) on foreign exchange	458	(22)	N.M.
Interest income	40	20	100.0
Write-back of inventory obsolescence	308	170	81.2
Allowance for inventory obsolescence	(7)	(33)	(78.8)
Interest expense on borrowings	(7)	(51)	(86.3)
Depreciation of plant and equipment	(1,435)	(1,075)	33.5
Amortisation of intangible assets	(6)	(6)	-
Operating lease expense	(1,797)	(1,119)	60.6
Impairment of intangibles assets	(16)	-	N.M.
Impairment of goodwill arising from reverse acquisition	-	(16,802)	N.M.

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		
	31 Dec 2013 US\$'000	31 Dec 2012 US\$'000	31 Dec 2011 US\$'000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Plant and equipment	10,800	6,505	2,970
Goodwill	3,260	3,260	-
Intangible assets	3,124	2,184	890
Available-for-sale financial assets	8	8	8
	17,192	11,957	3,868
<b>Current Assets</b>			
Inventories	25,833	18,981	9,429
Trade receivables	19,156	18,496	6,794
Other receivables and prepayments	2,499	2,796	805
Tax receivable	-	634	-
Cash and cash equivalents	14,662	20,835	1,880
	62,150	61,742	18,908
<b>Total assets</b>	<b>79,342</b>	<b>73,699</b>	<b>22,776</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Share capital	45,161	44,174	3,985
Reserves	(369)	(8,195)	8,618
<b>Total equity</b>	<b>44,792</b>	<b>35,979</b>	<b>12,603</b>
<b>Non-current Liabilities</b>			
Other payables	5,367	11,113	-
Deferred taxation	621	339	261
	5,988	11,452	261
<b>Current Liabilities</b>			
Trade payables	16,204	11,754	7,123
Other payables	11,217	13,899	2,478
Borrowings	128	615	-
Provision for income tax	1,013	-	311
	28,562	26,268	9,912
<b>Total liabilities</b>	<b>34,550</b>	<b>37,720</b>	<b>10,173</b>
<b>Total equity and liabilities</b>	<b>79,342</b>	<b>73,699</b>	<b>22,776</b>

	Company		
	31 Dec 2013 US\$'000	31 Dec 2012 US\$'000	31 Dec 2011 US\$'000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Plant and equipment	14	44	84
Investments in subsidiaries	49,459	20,205	18,976
Intangible assets	65	67	63
Other receivables and prepayments	8,391	7,830	-
	<u>57,929</u>	<u>28,146</u>	<u>19,123</u>
<b>Current Assets</b>			
Due from subsidiaries	2,789	5,845	4,263
Other receivables and prepayments	1,970	1,813	184
Cash and cash equivalents	492	6,551	221
	<u>5,251</u>	<u>14,209</u>	<u>4,668</u>
<b>Total assets</b>	<b><u>63,180</u></b>	<b><u>42,355</u></b>	<b><u>23,791</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Share capital	58,978	57,991	17,802
Reserves	(6,778)	(36,652)	5,220
<b>Total equity</b>	<b><u>52,200</u></b>	<b><u>21,339</u></b>	<b><u>23,022</u></b>
<b>Non-current Liability</b>			
Other payables	5,367	11,113	-
	<u>5,367</u>	<u>11,113</u>	<u>-</u>
<b>Current Liabilities</b>			
Other payables	5,535	9,855	539
Provision for income tax	78	48	230
	<u>5,613</u>	<u>9,903</u>	<u>769</u>
<b>Total liabilities</b>	<b><u>10,980</u></b>	<b><u>21,016</u></b>	<b><u>769</u></b>
<b>Total equity and liabilities</b>	<b><u>63,180</u></b>	<b><u>42,355</u></b>	<b><u>23,791</u></b>

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

**Amount repayable in one year or less, or on demand**

As at 31 Dec 2013		As at 31 Dec 2012		As at 31 Dec 2011	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
128	-	615	-	-	-

**Amount repayable after one year**

As at 31 Dec 2013		As at 31 Dec 2012		As at 31 Dec 2011	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
-	-	-	-	-	-

**Details of any collateral**

The secured loan of US\$128,000 was secured over a subsidiary's bank deposits of US\$400,000.

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	
	FY2013 US\$'000	FY2012 US\$'000
<b>Cash Flows from Operating Activities</b>		
Profit/(Loss) before income tax	9,274	(18,665)
Adjustments for:		
Depreciation of plant and equipment	1,435	1,075
Amortisation of intangible assets	6	6
(Gain)/Loss on disposal of plant and equipment	(91)	2
Allowance for inventory obsolescence	7	33
Write-back of inventory obsolescence	(308)	(170)
Unrealised exchange (gain)/loss	(838)	558
Interest income	(40)	(20)
Interest expense	7	51
Share-based payments	43	21
Impairment of intangible assets	16	-
Impairment of goodwill arising from reverse acquisition	-	16,802
<b>Operating cash flow before working capital changes</b>	<b>9,511</b>	<b>(307)</b>
Changes in working capital:		
Inventories	(5,393)	1,208
Trade receivables	232	3,007
Other receivables and prepayments	(897)	(5,713)
Trade and other payables	3,456	(374)
<b>Cash generated from/(used in) operating activities</b>	<b>6,909</b>	<b>(2,179)</b>
Interest paid	(7)	(72)
Income tax refund/(paid)	756	(638)
<b>Net cash generated from/(used in) operating activities</b>	<b>7,658</b>	<b>(2,889)</b>
<b>Cash Flows from Investing Activities</b>		
Interest received	40	20
Purchase of plant and equipment	(2,403)	(1,216)
Proceeds from disposal of plant and equipment	93	-
Increased in capitalised development cost	(962)	(1,236)
Completion of reverse acquisition, net of cash acquired	-	18,730
Acquisition of subsidiary, net of cash acquired	(2,310)	(2,960)
Cash consideration paid for reverse acquisition	(7,500)	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(13,042)</b>	<b>13,338</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from borrowings	527	4,538
Repayment of borrowings	(1,014)	(3,923)
Issuance of compliance shares	-	10,468
Treasury shares	(955)	277
Expenses on issuance of shares	-	(780)
Cancellation of own shares	-	(26)
Decrease/(Increase) in restricted cash	2,023	(2,908)
<b>Net cash generated from financing activities</b>	<b>581</b>	<b>7,646</b>

Net (decrease)/increase in cash and cash equivalents	(4,803)	18,095
Cash and cash equivalents at the beginning of the year	17,902	1,855
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	653	(2,048)
<b>Cash and cash equivalents at the end of the year<sup>(i)</sup></b>	<b>13,752</b>	<b>17,902</b>

**Note:**

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

	<b>FY2013 US\$'000</b>	<b>FY2012 US\$'000</b>
Cash and bank balances	13,752	17,902
Fixed deposits	910	2,933
	14,662	20,835
Less: Restricted cash*	(910)	(2,933)
<b>Cash and cash equivalents per the consolidated statement of cash flows</b>	<b>13,752</b>	<b>17,902</b>

\* Restricted cash includes fixed deposits amounted to US\$900,000 pledged with the banks for facilities and loans granted to the Group. As at 31 December 2013, the Group had utilised US\$128,000 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	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
<b>Balance as at 1 Jan 2013</b>	<b>44,174</b>	<b>(10,150)</b>	<b>6</b>	<b>-</b>	<b>555</b>	<b>710</b>	<b>684</b>	<b>35,979</b>
Issuance of shares	1,942	-	-	-	-	-	-	1,942
Share-based payments	-	-	-	43	-	-	-	43
Purchase of treasury shares	(955)	-	-	-	-	-	-	(955)
Profit for the year	-	-	-	-	-	-	8,038	8,038
Other comprehensive loss:								
Exchange differences on translating foreign operations	-	-	-	-	-	(255)	-	(255)
Total other comprehensive income for the year	-	-	-	-	-	(255)	8,038	7,783
<b>Balance as at 31 Dec 2013</b>	<b>45,161</b>	<b>(10,150)</b>	<b>6</b>	<b>43</b>	<b>555</b>	<b>455</b>	<b>8,722</b>	<b>44,792</b>
<b>Balance as at 1 Jan 2012</b>	<b>3,985</b>	<b>(10,150)</b>	<b>6</b>	<b>98</b>	<b>-</b>	<b>48</b>	<b>18,616</b>	<b>12,603</b>
Issuance of shares pursuant to share swap consideration	30,501	-	-	-	-	-	-	30,501
Issuance of compliance shares	10,468	-	-	-	-	-	-	10,468
Expenses on issuance of shares	(780)	-	-	-	-	-	-	(780)
Cancellation of share capital	-	-	-	-	-	-	(26)	(26)
Purchase of treasury shares	-	-	-	-	-	-	277	277
Share-based payments	-	-	-	21	-	-	-	21
Share options exercised	-	-	-	(119)	-	-	119	-
Loss for the year	-	-	-	-	-	-	(17,747)	(17,747)
Other comprehensive income:								
Exchange differences on translating foreign operations	-	-	-	-	-	662	-	662
Total comprehensive loss for the year	-	-	-	-	-	662	(17,747)	(17,085)
Transfer to capital reserve in accordance with statutory requirements	-	-	-	-	555	-	(555)	-
<b>Balance as at 31 Dec 2012</b>	<b>44,174</b>	<b>(10,150)</b>	<b>6</b>	<b>-</b>	<b>555</b>	<b>710</b>	<b>684</b>	<b>35,979</b>

Company	Share capital US\$'000	Share options reserve US\$'000	Foreign currency translation reserve US\$'000	(Accumulated losses)/ Retained profits US\$'000	Total US\$'000
<b>Balance as at 1 Jan 2013</b>	<b>57,991</b>	-	<b>5,673</b>	<b>(42,325)</b>	<b>21,339</b>
Issuance of shares	1,942	-	-	-	1,942
Purchase of treasury shares	(955)	-	-	-	(955)
Share-based payments	-	43	-	-	43
Profit for the year	-	-	-	30,884	30,884
Other comprehensive loss:					
Exchange differences on translating foreign operations	-	-	(1,053)	-	(1,053)
Total comprehensive income for the year	-	-	(1,053)	30,884	29,831
<b>Balance as at 31 Dec 2013</b>	<b>58,978</b>	<b>43</b>	<b>4,620</b>	<b>(11,441)</b>	<b>52,200</b>
<b>Balance as at 1 Jan 2012</b>	<b>17,802</b>	-	<b>3,603</b>	<b>1,617</b>	<b>23,022</b>
Issuance of shares pursuant to share swap consideration	30,501	-	-	-	30,501
Issuance of compliance shares	10,468	-	-	-	10,468
Expenses on issuance of shares	(780)	-	-	-	(780)
Loss for the year	-	-	-	(43,942)	(43,942)
Other comprehensive income:					
Exchange differences on translating foreign operations	-	-	2,070	-	2,070
Total comprehensive loss for the year	-	-	2,070	(43,942)	(41,872)
<b>Balance as at 31 Dec 2012</b>	<b>57,991</b>	-	<b>5,673</b>	<b>(42,325)</b>	<b>21,339</b>

- 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.**

**The changes in the share capital during the year were as follows:**

<b>FY2013</b>	<b>No. of shares</b>	<b>US\$'000</b>
Balance as at 1 Jan 2013	229,997,035	57,991
Consideration shares issued pursuant to the acquisition of the entire equity interest in The Waveguide Solution Limited	7,805,264	1,942
Purchase of treasury shares	(6,000,000)	(955)
Balance as at 31 Dec 2013	<u>231,802,299</u>	<u>58,978</u>
<b>FY2012</b>	<b>No. of shares</b>	<b>US\$'000</b>
Balance as at 1 Jan 2012	<u>263,771,400</u>	<u>17,802</u>
Balance as at 26 Jun 2012 (After the share consolidation of every four shares into one consolidated share)	65,942,850	17,802
Fractional shares disregarded for the purpose of the share consolidation	(4)	-
Consideration shares issued pursuant to the acquisition of the entire issued and paid-up share capital of Global Invacom Holdings Limited	122,515,189	30,501
New compliance shares issued	41,539,000	10,468
Expenses on issuance of shares	-	(780)
Balance as at 31 Dec 2012	<u>229,997,035</u>	<u>57,991</u>

There were 6,000,000 treasury shares held by the Company as at 31 December 2013 and none as at 31 December 2012.

- 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.**

	<b>31 Dec 2013</b>	<b>31 Dec 2012</b>
Total number of issued shares excluding treasury shares	231,802,299	229,997,035

- 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.**

Not applicable.

- 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 year ended 31 December 2013 as those used in the audited financial statements for the year ended 31 December 2012, except for the adoption of the new or revised International Financial Reporting Standards ("IFRS") applicable for the financial period beginning 1 January 2013.

**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 adoption of the new or revised IFRS does not have any 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	
	FY2013 US\$	FY2012 US\$
(a) Based on weighted average number of ordinary shares on issue; and	3.42 cents	(16.79) cents
(b) On a fully diluted basis	3.41 cents	(16.79) cents
Weighted average number of ordinary shares used in computation of basic earnings per share	235,347,311	105,682,236
Weighted average number of ordinary shares used in computation of diluted earnings per share	235,600,286	105,682,236

**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	
	31 Dec 2013 US\$	31 Dec 2012 US\$	31 Dec 2013 US\$	31 Dec 2012 US\$
Net asset value ("NAV") per ordinary share based on issued share capital	19.32 cents	15.64 cents	22.52 cents	9.28 cents
Total number of issued shares	231,802,299	229,997,035	231,802,299	229,997,035

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\$41.1 million or 55.0% to US\$115.8 million in FY2013 from US\$74.7 million in FY2012. This was mainly due to the inclusion of US\$25.4 million contribution from The Waveguide Solution Limited, Global Invacom Sdn Bhd and the newly acquired subsidiary, Global Invacom Manufacturing (UK) Limited as well as the full-year inclusion of US\$22.9 million contribution from the Contract Manufacturing segment following the completion of the reverse takeover ("RTO").

Geographically, revenue from all regions increased in FY2013, with the America, Europe and Asia and Rest of the World markets rising by US\$11.4 million (24.6%), US\$7.5 million (39.0%) and US\$22.2 million (244.9%), respectively.

#### ***Gross Profit***

Cost of sales increased by US\$25.9 million or 42.7% to US\$86.5 million in FY2013 from US\$60.6 million in FY2012. Cost of sales as a percentage of revenue decreased to 74.8% from 81.2% and as a result, gross profit margin increased to 25.2% in FY2013 from 18.8% in FY2012. The margin improvement was due to the absence of the extra freight costs and stock adjustments related to the previously announced quality issues experienced in FY2012.

#### ***Administrative Expenses***

Administrative expenses increased by US\$4.6 million or 29.1% to US\$20.5 million in FY2013 from US\$15.9 million in FY2012, representing 17.7% and 21.2% of revenue, respectively. The increase was mainly attributable to the combination of salaries and related costs of a bigger group of companies subsequent to the completion of the RTO.

#### ***Other Operating Expenses***

Other operating expenses decreased significantly compared to FY2012 which had included a US\$16.8 million non-cash, non-recurring write-off of goodwill arising from the RTO which was completed in the same year.

#### ***Taxation***

Income tax increased in FY2013 by US\$2.1 million from a tax credit of US\$0.9 million in FY2012 to a tax expense of US\$1.2 million in FY2013, mainly due to increased taxable profits from all the subsidiaries. This was offset by the utilisation of an unrecognised tax asset in the United Kingdom (the "UK") and the UK R&D tax credit. In addition, there was an over provision in FY2012 which reduced the tax expense in that year.

Overall, the Group recorded a net profit of US\$8.0 million in FY2013 compared to a net loss of US\$17.7 million in FY2012, with a net profit margin of 6.9% compared to a net loss margin of 23.8%, respectively.

### **Review of Financial Position**

Non-current assets increased by US\$5.2 million to US\$17.2 million as at 31 December 2013 from US\$12.0 million as at 31 December 2012. Plant and equipment increased by US\$4.3 million due to the purchase of new equipment and the addition of assets from the acquisition of Global Invacom Manufacturing (UK) Limited (formerly known as Raven Manufacturing Limited) ("GIML"). The Group has also capitalised development expenditure during the year, including employee costs of its subsidiaries in the UK.

Net current assets decreased by US\$1.9 million to US\$33.6 million as at 31 December 2013 from US\$35.5 million as at 31 December 2012, mainly due to the cash and cash equivalents reducing by US\$6.2 million to US\$14.7 million. Other factors include the increase of inventories by US\$6.9 million to US\$25.9 million, trade and other receivables by US\$0.4 million to US\$21.7 million, trade and other payables by US\$1.8 million to US\$27.4 million.

Non-current liabilities decreased by US\$5.5 million to US\$6.0 million as at 31 December 2013 from US\$11.5 million as at 31 December 2012 as cash consideration was paid to the vendors pursuant to the RTO.

Overall, the net asset value of the Group strengthened by US\$8.8 million to US\$44.8 million as at 31 December 2013 from US\$36.0 million as at 31 December 2012.

### **Review of Cash Flows**

Net cash generated from operating activities during the year was US\$7.7 million, comprising cash flow generated from operating cash activities before working capital changes of US\$9.5 million, net working capital outflow of US\$2.6 million and income tax refund of US\$0.8 million.

Net cash used in investing activities was US\$13.0 million, mainly attributable to the purchase of plant and equipment, increase in capitalised development costs, the acquisition of GIML and the cash consideration paid to the vendors pursuant to the RTO.

Net cash generated from financing activities was US\$0.6 million as a result of the decrease in restricted cash and borrowings and the purchase of treasury shares.

Overall, the Group generated a net decrease in cash and cash equivalents of US\$4.8 million in FY2013 compared to a net increase of US\$18.1 million in FY2012 and cash and cash equivalents per the consolidated statement of cash flows was US\$13.8 million as at 31 December 2013.

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

In line with the earlier guidance on the last results announcement made by the Company on 13 August 2013 that "the Board of Directors expects the financial performance for FY2013 to be better than that of FY2012", the Group's FY2013 results have shown an improvement in both the earnings and margin.

**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.**

The satellite communications ("Sat Comms") industry has grown significantly in recent years with the emergence of new technology that brings with it greater demand for better satellite services and connectivity. In particular, the transformation of the telecommunications industry has allowed for many new uses for satellite-based products and services. Demand for direct-to-home ("DTH") payTV platforms in under-developed cities has also increased.

In line with the consolidation of the Sat Comms industry due to the complexity and competitiveness of new technologies, the Company acquired GIML, a UK manufacturer of satellite antennas, in November 2013 to expand manufacturing capabilities within Europe. The Group recognised one month's financial performance of GIML in FY2013 and will recognise the full year in FY2014.

In FY2014, the Group will recognise the bulk of revenue for a substantial repeat contract worth US\$16.0 million secured in November 2013 from an Asian broadcaster. The Group is optimistic that this customer will continue to order products from us.

As announced on 4 February 2014, the Company intends to pursue a secondary listing of its ordinary shares on the Alternative Investment Market ("AIM") of the London Stock Exchange to raise additional capital for future expansion and other business plans. The proposed listing and placement will be subject to approvals from the Board, the relevant authorities and the Company's shareholders. The Company will make further announcements when appropriate on a timely basis.

The Group is actively looking out to acquire companies to strengthen its offerings and provide a one-stop solution for Sat Comms equipment. The Group also continues to advance its R&D to launch new products in order to continue as a leading industry player.

Barring any unforeseen circumstances, the Board of Directors expects the financial performance in FY2014 to be profitable.

## 11. Dividend

### (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	0.5 Singapore cent per ordinary share
Tax Rate	One-tier tax exempt

### (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

Subject to shareholders' approval in the Annual General Meeting to be held on 30 April 2014, the proposed final dividend will be payable on 22 May 2014.

### (d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed on 12 May 2014 for the preparation of dividend. Registrable Transfers received by the Company up to 5.00 pm on 9 May 2014 will be registered to determine shareholders' entitlements to the proposed final dividend.

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

Not Applicable.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.****13(a) Reportable Operating Segments**

The business of the Group is categorised into the following product segments:

- Satellite communications ("Sat Comms")
- Contract manufacturing ("CM")

For management purposes, the Group is organised into business segments based on their products as the Group's risks and rates of return are affected predominantly by differences in the products produced. Each product segment represents a strategic business unit and management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

Segment results represent the profit earned by each segment without allocation of finance income/costs and taxation. Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprised mainly corporate assets and liabilities, borrowings and income taxes. Segment revenue includes transfers between operating segments. Such transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods. The transfers are eliminated on consolidation. No operating segments have been aggregated to form the following reportable operating segments.

<b>FY2013</b>	<b>Sat Comms US\$'000</b>	<b>CM US\$'000</b>	<b>Group US\$'000</b>
Revenue	92,878	22,872	115,750
Operating profit	8,030	1,211	9,241
Finance income			40
Finance costs			(7)
Income tax expense			(1,236)
<b>Profit for the year</b>			<b>8,038</b>
Amortisation of intangible assets	6	-	6
Depreciation of plant and equipment	1,205	230	1,435
Addition to plant and equipment	1,593	810	2,403
Addition to intangible assets	962	-	962
Write-back of inventory obsolescence	(14)	(294)	(308)
Allowance for inventory obsolescence	7	-	7
<b>Assets and liabilities</b>			
Segment assets	62,393	13,105	75,498
<u>Unallocated assets</u>			
- Non-current assets			79
- Other receivables			227
- Cash and cash equivalents			3,538
<b>Total assets</b>			<b>79,342</b>
Segment liabilities	16,415	5,411	21,826
<u>Unallocated liabilities</u>			
- Other payables			10,962
- Borrowings			128
- Provision for income tax			1,013
- Deferred taxation			621
<b>Total liabilities</b>			<b>34,550</b>



<b>FY2012</b>	<b>Sat Comms US\$'000</b>	<b>CM US\$'000</b>	<b>Group US\$'000</b>
Revenue	62,014	12,683	74,697
Operating loss	(2,072)	(16,562)	(18,634)
Finance income			20
Finance costs			(51)
Income tax credit			918
<b>Loss for the year</b>			<b>(17,747)</b>
Impairment of goodwill arising from reverse acquisition	-	(16,802)	(16,802)
Amortisation of intangible assets	6	-	6
Depreciation of plant and equipment	928	147	1,075
Addition to plant and equipment	1,133	83	1,216
Addition to intangible assets	1,236	-	1,236
Write-back of inventory obsolescence	(62)	(108)	(170)
Allowance for inventory obsolescence	33	-	33
<b>Assets and liabilities</b>			
Segment assets	46,163	12,895	59,058
<u>Unallocated assets</u>			
- Non-current assets			111
- Other receivables			251
- Tax receivable			634
- Cash and cash equivalents			13,645
<b>Total assets</b>			<b>73,699</b>
Segment liabilities	9,932	5,737	15,669
<u>Unallocated liabilities</u>			
- Other payables			21,097
- Borrowings			615
- Deferred taxation			339
<b>Total liabilities</b>			<b>37,720</b>

### 13(b) Geographical Information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

<b>FY2013</b>	<b>America US\$'000</b>	<b>Europe US\$'000</b>	<b>Asia and Rest of the World US\$'000</b>	<b>Total US\$'000</b>
Revenue	57,991	26,559	31,200	115,750
Non-current assets	-	13,554	3,638	17,192

<b>FY2012</b>	<b>America US\$'000</b>	<b>Europe US\$'000</b>	<b>Asia and Rest of the World US\$'000</b>	<b>Total US\$'000</b>
Revenue	46,548	19,104	9,045	74,697
Non-current assets	-	9,374	2,583	11,957

- 14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Note 8.

- 15. A breakdown of sales.**

		<b>FY2013 US\$'000</b>	<b>FY2012 US\$'000</b>	<b>% increase/ (decrease)</b>
(a)	Sales reported for first half year	55,306	30,913	78.9
(b)	Operating profit after income tax before deducting minority interests reported for first half year	3,390	375	804.0
(c)	Sales reported for second half year	60,444	43,784	38.1
(d)	Operating profit/(loss) after income tax before deducting minority interests reported for second half year	4,648	(18,122)	N.M.

- 16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

- 17. 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 year ended 31 December 2013.

- 18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Neither Global Invacom Group Limited nor any of its principal subsidiaries have any person occupying a managerial position who is related to a director, chief executive officer or substantial shareholder.

- 19. Status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with stated use.**

Not applicable.

BY ORDER OF THE BOARD  
Anthony Brian Taylor  
Chairman

27 February 2014