



Global Invacom Group Limited

FY2013 Results Briefing

27 February 2014



global invacom
completing the picture

Presentation Outline

FY2013 Financial
Highlights

Business Overview

Business Outlook



FY2013 Financial Highlights

- **Net Profit** of US\$8.0M, positive swing of US\$25.7M from US\$17.7M loss in FY2012
- Recovery propelled by 55% increase in revenue, GPM improvement, and absence of US\$16.8M goodwill write-off
- First full year Post-RTO results; **Revenue** of US\$115.8M includes US\$22.9M from group consolidation and US\$25.4M from new subsidiaries acquired
- All **geographical** segments improved with Asia & RoW growing fastest by 245% or US\$22.2M to US\$31.2M, mainly due to the significant order by a major Asian broadcaster.
- America and Europe up 25% to US\$58.0M and 39% to US\$26.6M, respectively

FY2013 Financial Highlights

- GP up 108% to US\$29.2M while **GPM** increased to 25% from 19% in FY2012, due to better operating efficiencies and absence of costs related to FY2012 production issues
- **Operating expenses** increased by US\$4.6M due to the enlarged group operations
- Secured **repeat order** of US\$16.0M from the Asian broadcaster in Nov 2013; bulk of the revenue expected to be recognised in FY2014
- Generated US\$7.7M **cash flow from operations** reversing from a negative balance of US\$2.9M a year earlier
- Healthy **cash position** of US\$14.7M after paying US\$7.5M cash consideration (as part of RTO) and US\$2.3M cash used for UK acquisition
- **Diluted EPS**: 3.41 US cents (FY2012:16.79 US cents loss); **NAV**: 19.32 US cents (FY2012:15.64 US cents)
- Proposed first **dividend** after RTO – 0.5 S cent

Profit & Loss Highlights

US\$ in million (31 December)	FY2013	FY2012	Change %
Revenue	115.8	74.7	55.0
Satellite Communications	92.9	62.0	49.7
Contract Manufacturing	22.9	12.7	80.3
Gross Profit	29.2	14.1	107.8
Gross Profit Margin (%)	25.2	18.8	6.4 [^]
Net Profit After Tax	8.0	(17.7)	N.M.
Cash Generated from/(used in) Operating Activities	7.7	(2.9)	N.M.
Diluted EPS (US Cents)	3.41 [*]	(16.79) ^{**}	N.M.

* calculated based on 235,600,286 weighted average number of ordinary shares for the period ended 31 December 2013

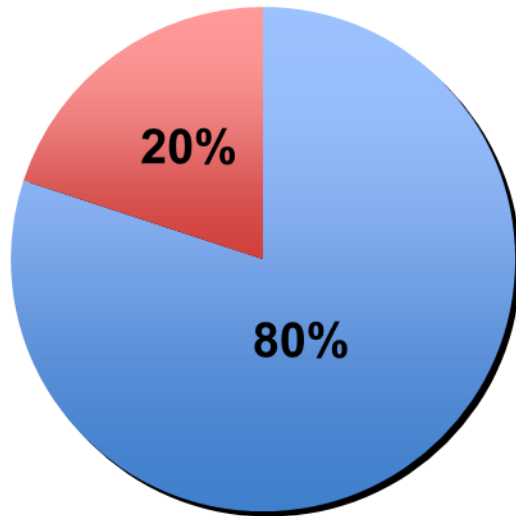
** calculated based on 105,682,236 weighted average number of ordinary shares for the period ended 31 December 2012

[^] percentage points



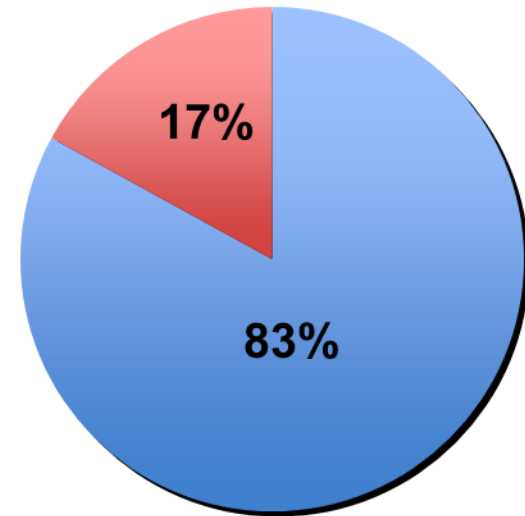
Revenue Breakdown – Business Segments

FY2013
US\$115.8M



■ Satellite
Communications
■ Contract
Manufacturing

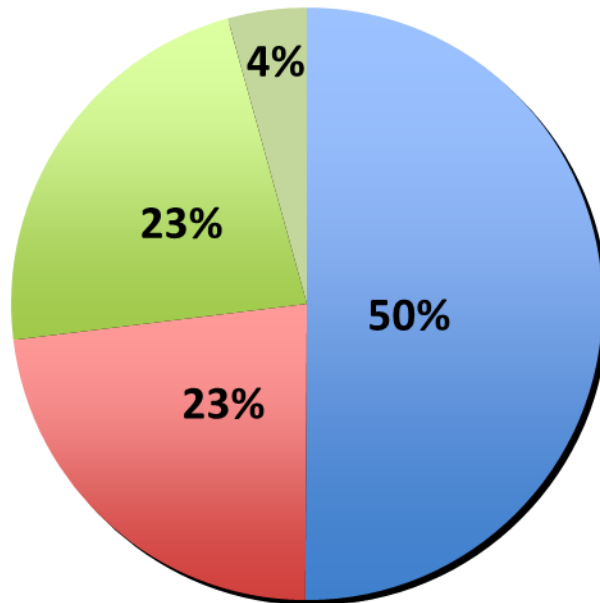
FY2012
US\$74.7M



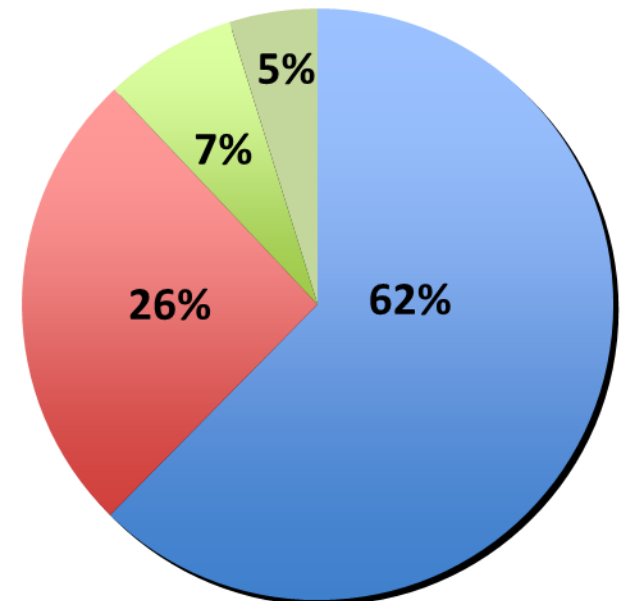
- The proportion of the two business segments remains about the same

Revenue Breakdown – Geographical Segments

FY2013
US\$115.8M



FY2012
US\$74.7M



■ America
■ Europe
■ ARW - Asia
■ ARW - Others

- Asia & RoW improved significantly, contributing higher proportion of revenue in FY2013, overtaking Europe
- America remains the major revenue contributor

Balance Sheet Highlights

US\$ in million	31 Dec 2013	31 Dec 2012	Change %
Total Assets	79.3	73.7	7.7
Total Borrowings	0.1	0.6	(79.2)
Shareholders' Fund	44.8	36.0	24.5
Cash and cash equivalents	14.7	20.8	(29.6)
NAV per share (US cents)	19.32 [#]	15.64 ^{##}	23.5

[#] calculated based on 231,802,299 total number of issued shares as at 31 December 2013

^{##} calculated based on 229,997,035 total number of issued shares as at 31 December 2012



BUSINESS OVERVIEW

Recent Significant Events

Repeat order from major Asian broadcaster

- Global Invacom Sdn Bhd (“GISB”) in Subang Jaya (Malaysia) scaled up operations from sub-assembly to manufacturing to meet order
- Secured repeat US\$16.0M contract
- Bulk of repeat contract expected to be recognised in FY2014

Acquisition of Raven Manufacturing Limited (“RML”)

- RML (renamed Global Invacom Manufacturing (UK) Limited), is a UK manufacturer of satellite antennas
- Acquisition increases Group’s capacity and capabilities in the UK
- Recognised one-month results in FY2013
- To recognise full year results in FY2014

Proposed Secondary Listing on UK AIM

- Appointed Nominated Adviser (Nomad) on 4 February 2014.
- Proposed secondary listing on AIM market of LSE intended to raise capital for future expansion
- Helps meet international growth strategy
- Broadens shareholder base

Stock Chart – 6-month period



- Purchased 6M treasury shares in October 2013 totaling to US\$0.96M with average price of 15.9 US cents or 19.9 S cents
- Increased market activity resulted to share price surge to 55.0 S cents (highest price since RTO)

Stock Data

Basic Share Data	As at 26 February 2014
Share Price	S\$0.525
Average Daily Volume (over a month)	3,815,000
No. of Issued and Outstanding Shares	231.8 Million
Market Capitalisation	S\$121.7 Million
NTA per Share	US\$0.166 (S\$0.210)
Price/NTA	2.50 times

Major Shareholders (as at 28 Mar 2013)	% Shares Held
OCBC Securities P/L	20.85
Stamford Law Corp.	17.30
UOB Kay Hian P/L	8.08

Substantial Shareholders: *Roger Mark Pannell & Helen Ann Pannell*, each with 4.68% direct interest and are both deemed interested



BUSINESS OUTLOOK

FY2014 Outlook

- Optimistic on outlook of global Sat Comms industry
- Significant growth due to emergence of new technology and, with it, greater demand for better satellite services/connectivity
- Transformation of telecommunications industry allows for new uses for satellite-based products and services
- Demand for direct-to-home (“DTH”) payTV platforms in under-developed cities has also increased
- Consolidation in the Sat Comms industry continues due to the complexity and competitiveness of new technologies
- Actively looking out for M&A opportunities to strengthen capabilities to position Group as global leader of Sat Comms with strong R&D
- Expects FY2014 to be profitable

FY2014 Outlook

- Growth
 - Organic
 - New Products and technologies
 - M&A
- Suppliers
 - Grading and reducing
 - Building partnerships
 - Sharing the results
- Quality
 - Design for manufacture
 - Training
 - New equipment
 - Automation

Summary

- Delivered on organic growth
- Delivered on M&A growth (synergies ongoing)
- Delivered on Asian growth
- Delivering a dividend ahead of time
- Share buy back (cash position remains healthy US\$14.7M)
- London secondary listing
 - Technology is hot; story will be better received
 - Improve liquidity
 - Technology understood
 - Worldwide profile
 - Proceeds for next stage of M&A strategy



Global Invacom Group Limited

Thank you!



global invacom
completing the picture