



## Global Invacom's 1H FY2014 Revenue Grows 26.3% To US\$69.8 Million; GP Margin Increases

- Group reports first set of results since admission of its shares to trading on AIM Market of the London Stock Exchange ("AIM")
- Gross profit increases 38.2% to US\$17.4 million
- Profit before income tax increases 23.3% to US\$4.3 million
- Profit before income tax (excluding one-off professional fees) increases 58.6% to US\$5.5 million
- Net asset value per share increases 6.7% to 20.61 US cents
- Successfully raised gross proceeds of US\$15.0 million from new institutional shareholders through placing of new shares

As at 30 June 2014 US\$' millions	1H FY2014	1H FY2013	Changes US\$	Changes (%)
<b>Revenue</b>	69.8	55.3	14.5	26.3
<b>Gross Profit</b>	17.4	12.6	4.8	38.2
<b>Gross Profit Margin (%)</b>	24.9	22.8	--	2.1 <sup>+</sup>
<b>Profit Before Income Tax</b>	4.3	3.5	0.8	23.3
<b>Net Profit After Tax</b>	3.7	3.4	0.3	7.7
<b>Earnings per Share (Cents)</b>	1.56 <sup>*</sup>	1.44 <sup>**</sup>	0.12	8.3
<b>Net Asset Value per Share (Cents)</b>	20.61 <sup>#</sup>	19.32 <sup>##</sup>	1.29	6.7

\* calculated based on 234,434,003 weighted average number of ordinary shares for the period ended 30 June 2014

\*\* calculated based on 235,258,042 weighted average number of ordinary shares for the period ended 30 June 2013

# calculated based on 231,832,299 total number of issued shares as at 30 June 2014

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

<sup>+</sup> percentage point change

*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 press release.*

**Singapore, 14 August 2014 - Global Invacom Group Limited ("Global Invacom" or "the Group"),** a Singapore Exchange Mainboard and AIM listed satellite communications ("Sat Comms") equipment specialist, said today that its revenue rose 26.3% to US\$69.8 million for the six months ended 30 June 2014 ("1H FY2014") from US\$55.3 million in 1H FY2013. Current trading remains in line with management's expectations.

In its first set of financial results released since its shares were admitted to trading on AIM, Global Invacom said it benefitted from increased orders from a U.S. Sat Comms customer, contribution from Global Invacom Manufacturing (UK)

Limited (“GIML”), a Sat Comms equipment manufacturer acquired in November 2013, and higher contract manufacturing sales in China.

Most regions recorded higher revenue, with contributions from U.S.A. rising by US\$14.7 million (59.5%), Europe by US\$5.2 million (41.1%) and Rest of the World by US\$5.5 million (227.3%) compared to a year ago. However, like-for-like revenue from Asia fell by US\$10.9 million (70.9%). This was anticipated following high initial sales during 1H FY2013 to a major new customer who then had inventory cover at the end of 2013. The Group’s sales, which were impacted in the first quarter of the year, recovered in the second quarter.

1H FY2014 gross profit rose 38.2% to US\$17.4 million – outpacing revenue growth of 26.3% – compared to US\$12.6 million a year ago. As a result, gross profit margin increased to 24.9% compared to 22.8% in 1H FY2013 which had included residual costs from the result in FY2012.

The Group’s administrative expenses increased 36.1% to US\$12.6 million. This is attributed to the US\$1.2 million one-off professional fees in conjunction with the AIM listing and the manpower and expenses of US\$1.1 million from newly acquired GIML. The Group incurred higher development costs for new products with two major customers, including hiring more RF design and production engineers. This will position the Group better with these customers for their next-generation of products.

Profit before tax increased by US\$0.8 million, or 23.3%, to US\$4.3 million in 1H FY2014 from US\$3.5 million in 1H FY2013. Excluding the US\$1.2 million one-off professional fees, the Group would have recorded a profit before tax of US\$5.5 million in 1H FY2014 with a margin of 7.9%.

Net profit after tax was US\$3.7 million in 1H FY2014 compared to US\$3.4 million in 1H FY2013. Excluding the US\$1.2 million one-off professional fees, the Group would have recorded a net profit of US\$4.9 million in 1H FY2014 with a net margin of 7.0%.

Earnings per share on a fully diluted basis increased to 1.56 US cents in 1H FY2014 from 1.44 US cents in 1H FY2013. Net asset value per share as at 30 June 2014 rose to 20.61 US cents from 19.32 US cents as at 31 December 2013.

In July, the Group successfully completed its listing on AIM, where an oversubscribed placing raised gross proceeds of US\$15.0 million. As announced at the time, the Group sees consolidation opportunities in the global Sat Comms industry and intends to use funds raised to make strategic acquisitions that complement its current operations and target markets.

“We have successfully concluded a high-profile admission to the AIM Market which was oversubscribed. We continue to evolve our product offering and have recently launched a new range of programmable fibre products including the

SwitchBlade which distributes multiple satellite TV services,” said Executive Chairman, Mr Tony Taylor.

“The ongoing consolidation of the global Sat Comms industry will increase demand for dedicated equipment players who can combine R&D with a worldwide manufacturing footprint. We have successfully acquired assets and capabilities and will continue to enhance our value proposition to satellite broadcasters,” he added.

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

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

**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 five manufacturing plants across China, Malaysia and U.K., providing a full range of LNB receivers, transmitters, switches and video distribution components and electronics manufacturing services in satellite communications, TV peripherals, computer peripherals, medical, and consumer electronics industries. Its customers include satellite broadcasters such as BSkyB of the U.K. and DISH Network of the U.S.A..

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