



GLOBAL INVACOM GROUP LIMITED

(Incorporated in Singapore)

(Company Registration Number 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 2014

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

- 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 12 months ended 31 December 2014. These figures have not been audited.

	Group		Increase/ (Decrease) %
	FY2014 US\$'000	FY2013 US\$'000	
Revenue	134,135	115,750	15.9
Cost of sales	(102,344)	(86,546)	18.3
Gross profit	31,791	29,204	8.9
Other income	195	702	(72.2)
Distribution costs	(221)	(205)	7.8
Administrative expenses	(25,533)	(20,460)	24.8
Other operating expenses	(767)	-	N.M.
Finance income	63	40	57.5
Finance costs	(15)	(7)	114.3
Profit before income tax⁽ⁱ⁾	5,513	9,274	(40.6)
Income tax expense	(411)	(1,236)	(66.7)
Profit after income tax attributable to equity holders of the Company	5,102	8,038	(36.5)

Other comprehensive loss:

Items that may be reclassified subsequently to profit or loss			
- Exchange differences on translation of foreign operations	(815)	(255)	N.M.
Items that may not be reclassified subsequently to profit or loss	-	-	-
Other comprehensive loss for the year, net of tax	(815)	(255)	N.M.
Total comprehensive income for the year attributable to equity holders of the Company	4,287	7,783	(44.9)

N.M.: Not Meaningful

Note:

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

	Group		
	FY2014	FY2013	Increase/
	US\$'000	US\$'000	(Decrease)
			%
Other Income	163	153	6.5
Gain on disposal of property, plant and equipment	18	91	(80.2)
Gain on disposal of intangible assets	14	-	N.M.
(Loss)/Gain on foreign exchange	(559)	458	N.M.
Loss on de-registration of subsidiary	(208)	-	N.M.
Interest income	63	40	57.5
Write-back of inventory obsolescence	-	308	100.0
Allowance for inventory obsolescence	(120)	(7)	N.M.
Provision for litigation	(389)	-	N.M.
Impairment of trade receivables	(8)	-	N.M.
Interest expense on borrowings	(15)	(7)	114.3
Depreciation of property, plant and equipment	(1,728)	(1,435)	20.4
Amortisation of intangible assets	(381)	(6)	N.M.
Impairment of intangible assets	-	(16)	N.M.
Operating lease expense	(1,650)	(1,762)	(6.4)
Research and development expense	(477)	(357)	33.6

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		Company	
	31 Dec 2014 US\$'000	31 Dec 2013 US\$'000	31 Dec 2014 US\$'000	31 Dec 2013 US\$'000
ASSETS				
Non-current Assets				
Property, plant and equipment	11,082	10,800	7	14
Investments in subsidiaries	-	-	47,446	49,459
Goodwill	4,153	3,260	-	-
Intangible assets	4,456	3,124	-	65
Available-for-sale financial assets	8	8	-	-
Deferred tax asset	743	-	-	-
Other receivables and prepayments	-	-	8,283	8,391
	<u>20,442</u>	<u>17,192</u>	<u>55,736</u>	<u>57,929</u>
Current Assets				
Due from subsidiaries	-	-	-	2,789
Inventories	27,010	25,833	-	-
Trade receivables	15,406	19,156	-	-
Other receivables and prepayments	2,669	2,499	5,541	1,970
Cash and cash equivalents	21,202	14,662	7,331	492
	<u>66,287</u>	<u>62,150</u>	<u>12,872</u>	<u>5,251</u>
Total assets	<u>86,729</u>	<u>79,342</u>	<u>68,608</u>	<u>63,180</u>
EQUITY AND LIABILITIES				
Share Capital and Reserves				
Share capital	57,002	45,161	70,819	58,978
Reserves	3,081	(369)	(9,201)	(6,778)
Total equity	<u>60,083</u>	<u>44,792</u>	<u>61,618</u>	<u>52,200</u>
Non-current Liabilities				
Other payables	433	5,367	-	5,367
Deferred tax liability	538	621	-	-
	<u>971</u>	<u>5,988</u>	<u>-</u>	<u>5,367</u>
Current Liabilities				
Due to subsidiaries	-	-	1,457	-
Trade payables	14,499	16,204	-	-
Other payables	10,571	11,217	5,459	5,535
Borrowings	-	128	-	-
Provision for income tax	605	1,013	74	78
	<u>25,675</u>	<u>28,562</u>	<u>6,990</u>	<u>5,613</u>
Total liabilities	<u>26,646</u>	<u>34,550</u>	<u>6,990</u>	<u>10,980</u>
Total equity and liabilities	<u>86,729</u>	<u>79,342</u>	<u>68,608</u>	<u>63,180</u>

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 2014		As at 31 Dec 2013	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
-	-	128	-

Amount repayable after one year

As at 31 Dec 2014		As at 31 Dec 2013	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
-	-	-	-

Details of any collateral

Nil.

- 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	
	FY2014 US\$'000	FY2013 US\$'000
Cash Flows from Operating Activities		
Profit before income tax	5,513	9,274
Adjustments for:		
Depreciation of property, plant and equipment	1,728	1,435
Amortisation of intangible assets	381	6
Loss on de-registration of subsidiary	208	-
Gain on disposal of property, plant and equipment	(18)	(91)
Gain on disposal of intangible assets	(14)	-
Allowance for inventory obsolescence	120	7
Write-back of inventory obsolescence	-	(308)
Provision for litigation	389	-
Impairment of trade receivables	8	-
Unrealised exchange loss/(gain)	499	(817)
Interest income	(63)	(40)
Interest expense	15	7
Share-based payments	88	43
Impairment of intangible assets	-	16
Share awards	5	-
Operating cash flow before working capital changes	8,859	9,532
Changes in working capital:		
Inventories	(158)	(5,393)
Trade receivables	4,048	286
Other receivables and prepayments	(467)	(897)
Trade and other payables	(2,787)	3,381
Cash generated from operating activities	9,495	6,909
Interest paid	(15)	(7)
Income tax (paid)/refund	(1,667)	756
Net cash generated from operating activities	7,813	7,658
Cash Flows from Investing Activities		
Interest received	63	40
Purchase of property, plant and equipment	(1,982)	(2,403)
Proceeds from disposal of property, plant and equipment	18	93
Proceeds from disposal of intangible assets	38	-
Increased in capitalised development cost	(1,778)	(962)
Acquisition of subsidiary, net of cash acquired	(2,156)	(2,310)
Cash consideration paid for reverse acquisition	(5,500)	(7,500)
Net cash used in investing activities	(11,297)	(13,042)
Cash Flows from Financing Activities		
Proceeds from borrowings	1,972	527
Repayment of borrowings	(2,100)	(1,014)
Issuance of shares	15,060	-
Expenses on issuance of shares	(753)	-
Treasury shares	(2,471)	(955)
Dividends paid	(925)	-
Decrease in restricted cash	263	2,023
Net cash generated from financing activities	11,046	581

Net increase/(decrease) in cash and cash equivalents	7,562	(4,803)
Cash and cash equivalents at the beginning of the year	13,752	17,902
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(759)	653
Cash and cash equivalents at the end of the year⁽ⁱ⁾	20,555	13,752

Note:

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

	FY2014 US\$'000	FY2013 US\$'000
Cash and bank balances	20,318	13,752
Fixed deposits	884	910
	21,202	14,662
Less: Restricted cash*	(647)	(910)
Cash and cash equivalents per the consolidated statement of cash flows	20,555	13,752

* Restricted cash includes fixed deposits amounting to US\$400,000 (2013: US\$900,000) pledged with the banks for facilities and loans granted to the Group. As at 31 December 2014, the Group did not utilise any of the available facilities and loans.

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
Balance as at 1 Jan 2014	45,161	(10,150)	6	43	555	455	8,722	44,792
Share awards	5	-	-	-	-	-	-	5
Issuance of shares	15,060	-	-	-	-	-	-	15,060
Expenses on issuance of shares	(753)	-	-	-	-	-	-	(753)
Purchase of treasury shares	(2,471)	-	-	-	-	-	-	(2,471)
Share-based payments	-	-	-	88	-	-	-	88
Payment of dividends	-	-	-	-	-	-	(925)	(925)
Transfer to capital reserve in accordance with statutory requirements	-	-	-	-	87	-	(87)	-
Profit for the year	-	-	-	-	-	-	5,102	5,102
Other comprehensive loss:								
Exchange differences on translating foreign operations	-	-	-	-	-	(815)	-	(815)
Total other comprehensive income for the year	-	-	-	-	-	(815)	5,102	4,287
Balance as at 31 Dec 2014	57,002	(10,150)	6	131	642	(360)	12,812	60,083
Balance as at 1 Jan 2013	44,174	(10,150)	6	-	555	710	684	35,979
Issuance of shares	1,942	-	-	-	-	-	-	1,942
Purchase of treasury shares	(955)	-	-	-	-	-	-	(955)
Share-based payments	-	-	-	43	-	-	-	43
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
Balance as at 31 Dec 2013	45,161	(10,150)	6	43	555	455	8,722	44,792

Company	Share capital US\$'000	Share options reserve US\$'000	Foreign currency translation reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 Jan 2014	58,978	43	4,620	(11,441)	52,200
Share awards	5	-	-	-	5
Issuance of shares	15,060	-	-	-	15,060
Expenses on issuance of shares	(753)	-	-	-	(753)
Purchase of treasury shares	(2,471)	-	-	-	(2,471)
Share-based payments	-	88	-	-	88
Payment of dividends	-	-	-	(925)	(925)
Profit for the year	-	-	-	1,320	1,320
Other comprehensive loss:					
Exchange differences on translating foreign operations	-	-	(2,906)	-	(2,906)
Total other comprehensive loss for the year	-	-	(2,906)	1,320	(1,586)
Balance as at 31 Dec 2014	70,819	131	1,714	(11,046)	61,618
Balance as at 1 Jan 2013	57,991	-	5,673	(42,325)	21,339
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 other comprehensive income for the year	-	-	(1,053)	30,884	29,831
Balance as at 31 Dec 2013	58,978	43	4,620	(11,441)	52,200

- 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.

FY2014	No. of shares	US\$'000
Balance as at 1 Jan 2014	231,802,299	58,978
Issuance of share awards	30,000	5
Issuance of shares	44,600,000	15,060
Expenses on issuance of shares	-	(753)
Purchase of treasury shares	(7,373,000)	(2,471)
Balance as at 31 Dec 2014	<u>269,059,299</u>	<u>70,819</u>
FY2013	No. of shares	US\$'000
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>

There were 13,343,000 and 6,000,000 treasury shares held by the Company as at 31 December 2014 and 31 December 2013 respectively.

- 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.

	31 Dec 2014	31 Dec 2013
Total number of issued shares excluding treasury shares	269,059,299	231,802,299

- 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.

FY2014	No. of shares	US\$'000
Balance as at 1 Jan 2014	6,000,000	955
Issuance of share awards	(30,000)	(5)
Purchase of treasury shares	7,373,000	2,471
Balance as at 31 Dec 2014	<u>13,343,000</u>	<u>3,421</u>

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 2014 as those used in the audited financial statements for the year ended 31 December 2013, except for the adoption of the new or revised International Financial Reporting Standards ("IFRS") applicable for the financial period beginning 1 January 2014.

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	
	FY2014 US\$	FY2013 US\$
(a) Based on weighted average number of ordinary shares on issue; and	2.02 cents	3.42 cents
(b) On a fully diluted basis	2.00 cents	3.41 cents
Weighted average number of ordinary shares used in computation of basic earnings per share	252,120,852	235,347,311
Weighted average number of ordinary shares used in computation of diluted earnings per share	254,747,318	235,600,286

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 2014 US\$	31 Dec 2013 US\$	31 Dec 2014 US\$	31 Dec 2013 US\$
Net asset value ("NAV") per ordinary share based on issued share capital	22.33 cents	19.32 cents	22.90 cents	22.52 cents
Total number of issued shares	269,059,299	231,802,299	269,059,299	231,802,299

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\$18.4 million, or 15.9%, to US\$134.1 million in FY2014 from US\$115.8 million in FY2013. This improvement included increased orders from a major customer in the United States and the recognition of an incremental US\$12.5 million contribution from Global Invacom Manufacturing (UK) Limited ("GIML"), which was acquired in November 2013 and whose revenue has increased since acquisition, together with US\$5.0 million from the Contract Manufacturing segment which received additional subcontract assembly work from their customers. The Group also recognised US\$0.8 million contribution from two months trading of its latest acquisition, OnePath Networks Limited (trading as "Foxcom") in Israel.

Geographically, revenue from the America and Europe regions rose by US\$15.2 million (26.3%) and US\$9.1 million (34.1%), respectively, driven by customer demand. Market performance in Asia and the Rest of the World market declined by US\$4.1 million (15.7%) and US\$1.8 million (36.5%), respectively. The like-for-like revenue fall in Asia was expected after completing a large delivery to a major new customer during FY2013. The customer had inventory cover at the end of 2013 which affected sales in the first quarter of the year but these recovered in the second quarter of FY2014.

2H FY2014 revenues declined against 1H FY2014 due to a reduction in the Contract Manufacturing segment. There was also a reduction within Satellite Communications segment sales, driven by a major customer reducing stock levels prior to a technological change and the introduction of their next generation electronics. A strike by dock workers on the West Coast of the United States also delayed Q4 sales.

Gross Profit

Gross profit increased by US\$2.6 million or 8.9% to US\$31.8 million in FY2014 from US\$29.2 million in FY2013 while gross profit margin reduced to 23.7% in FY2014 from 25.2% in FY2013. This fall in margin was in part due to the increased requirement from a US customer for lower margin product and from the write-off of inventories in last quarter of 2014, pending an upcoming technology change with a major customer. The full year inclusion of GIML which produces lower margin satellite dishes has also influenced the gross margin for the Group.

Administrative Expenses

Administrative expenses increased by US\$5.1 million or 24.8% to US\$25.5 million in FY2014 from US\$20.5 million in FY2013, representing 19.0% and 17.7% of revenue, respectively. This was attributed to the US\$1.4 million and US\$0.5 million one-off professional fees in respect of the AIM Market listing and the acquisition of Foxcom respectively and manpower and expenses of US\$2.1 million from GIML. The Group also incurred restructuring costs of US\$0.4 million due to the closure of a United Kingdom facility which was no longer fit for purpose and additional research and development costs as two of the Group's major customers are in the process of upgrading their technical solutions to next generation technology (DCS) leading to the concurrent development of three new Low Noise Blocks and a range of fibre switches. Recruitment of extra Radio Frequency ("RF") design and production engineers along with development costs have increased current expenses, but will put the Group in a strong position with both these customers in their next generation delivery solutions. A provision of US\$0.4 million has also been made in respect of a legal dispute with a supplier of one of the subsidiaries in the United Kingdom that it is strongly defending.

Other Operating Expenses

Other operating expenses increased in FY2014 compared to FY2013 mainly attributable to foreign exchange losses from the weakening of the Renminbi and Malaysia Ringgit against the US Dollar and the translation loss on disposal of a subsidiary which amounted to US\$0.2 million.

Profit before Tax

The Group's profit before tax decreased by US\$3.8 million, or 40.6%, to US\$5.5 million in FY2014 from US\$9.3 million in FY2013 giving a margin of 4.1% compared to 8.0% respectively.

Excluding the US\$2.6 million one-off professional fees, restructuring cost, provision against a legal dispute and the foreign exchange differential of US\$1.2 million between FY2014 and FY2013, the Group would have recorded a profit before tax of US\$9.3 million in FY2014 with a margin of 7.0%.

Taxation

Income tax reduced by US\$0.8 million or 66.7% to US\$0.4 million in FY2014 from US\$1.2 million in FY2013 mainly due to the recognition of deferred tax asset in the United Kingdom.

Net Profit

Overall, the Group has a net profit of US\$5.1 million in FY2014 down from US\$8.0 million in FY2013, while net profit margin decreased to 3.8% compared to 6.9%, respectively.

Excluding the US\$2.6 million one-off professional fees, restructuring cost, provision against a legal dispute and the foreign exchange differential of US\$1.2 million between FY2014 and FY2013, the Group would have recorded a net profit of US\$8.9 million in FY2014 with a net profit margin of 6.6%.

Review of Financial Position

Non-current assets increased by US\$3.3 million to US\$20.4 million as at 31 December 2014 from US\$17.2 million as at 31 December 2013. The net increase was mainly attributable to continued investment in new machinery and equipment to improve efficiency, reduce manufacturing costs and support the development of new products by its subsidiaries in China, Malaysia and United Kingdom, coupled with the increase in capitalised development cost in United Kingdom as well as the recognition of a deferred tax asset.

Net current assets increased by US\$7.0 million to US\$40.6 million as at 31 December 2014 from US\$33.6 million as at 31 December 2013, mainly due to the increase of inventories by US\$1.2 million to US\$27.0 million predominately in the US warehousing site as part of a process to further improve support to our customers in the America combined with a strike by dock workers on the West Coast of the United States which has delayed deliveries of product. A change in organisation structure at another customer also caused supply delays in FY2014 and the inclusion of US\$1.2 million from Foxcom in the year. Trade and other receivables reduced by US\$3.6 million to US\$18.1 million with improved collections from customers. Cash and cash equivalents rose by US\$6.5 million to US\$21.2 million with proceeds raised in conjunction with the AIM Market listing, coupled with the purchase of treasury shares of US\$2.5 million and the payment of the first dividend of US\$0.9 million after the reverse acquisition. This was offset by the decrease in trade and other payables by US\$2.4 million to US\$25.1 million and the full repayment of borrowings.

Non-current liabilities reduced by US\$5.0 million mainly with the cash consideration paid for the reverse acquisition in the second half of the year.

Overall, the net asset value of the Group strengthened by US\$15.3 million to US\$60.0 million as at 31 December 2014 from US\$44.8 million as at 31 December 2013, bringing the reserve balance to a positive of US\$3.1 million.

Review of Cash Flows

Net cash generated from operating activities during the year was US\$7.8 million, comprising cash flow from operating cash activities before working capital changes of US\$8.9 million, net working capital inflow of US\$0.6 million and payment of income tax expense of US\$1.7 million.

Net cash used in investing activities was US\$11.3 million, which comprised the purchase of machinery and equipment and increase in capitalised development cost, the acquisition of Foxcom and the cash consideration paid for the reverse acquisition.

Net cash generated from financing activities was US\$11.0 million, with net proceeds raised in connection with the AIM Market listing and decrease in restricted cash, offset by the payment of dividends, the purchase of treasury shares and the repayment of borrowings.

Overall, the Group generated a net increase in cash and cash equivalents of US\$7.6 million in FY2014 bringing cash and cash equivalents per the consolidated statement of cash flows to US\$20.6 million as at 31 December 2014.

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 14 August 2014 that “the Board of Directors expects the financial performance in FY2014 to remain profitable”, the Group’s FY2014 results have shown profitability in both earnings and margins.

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 continues to expand on the back of growth of the global satellite pay-TV industry, albeit amidst an increasingly competitive landscape. In addition, higher demand for consumer ground equipment continues to drive satellite revenues at a time of technological advancements and increased demand for HD and shortly 4K content, especially HD in emerging markets.

The Group continues to strengthen its value proposition to be a global integrated Sat Comms equipment player that combines research and development and a global manufacturing footprint. In line with this, the Group raised its international profile after completing its AIM Market listing. Trading of its ordinary shares commenced on 2 July 2014, raising gross proceeds of US\$15.0 million which has been and will be used for business expansion and general corporate working capital purposes.

Following the completion of the AIM Market listing, the Group announced on 11 November 2014 that it had acquired Israel-based Foxcom, one of the pioneers in RF over fibre technology, for US\$3.5 million. The acquisition allows the Group to gain new technologies, expand market reach and grow its network of broadcasters while expanding its footprint in existing and new geographies. The Group has commenced integration of the operations of Foxcom and has since recognised two months of financial contribution in FY2014.

The Group continues to look out for acquisition opportunities to further expand its suite of technological capabilities, geographical reach, access to broadcasters, or a combination of the above. Towards this end, the Group had commenced a share buyback programme in September 2014, and has to date acquired 19.0 million of its own shares, increasing its treasury shares to a total of 25.0 million. In line with our stated acquisition methodology, these treasury shares can be used for mergers and acquisitions as the Group continues to expand its capabilities.

At the same time, the Group continues to invest in research and development to enhance its competitive position to drive sustainable growth in the long run and is currently developing the next generation of satellite electronics for two of its major broadcasters which are expected to go into production in 2015. Typically each generation has a life cycle of approximately 10 years.

FX rate exposures arise from exchange rate movements against US dollar, the Group's reporting currency. Fluctuations in FX rates of key currencies against US dollar introduce volatility in reported EPS, cashflow and the balance sheet driven by translation into US dollar of our financial results.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Rate	0.525 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?

Yes.

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

(c) Date payable

Subject to shareholders' approval in the Annual General Meeting to be held on 29 April 2015, the proposed final dividend will be payable on 25 May 2015.

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed from 5.00 pm on 14 May 2015 for the preparation of dividend. Registrable Transfers received by the Company up to 5.00 pm on 14 May 2015 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 organised 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.

FY2014	Sat Comms US\$'000	CM US\$'000	Group US\$'000
Revenue	106,278	27,857	134,135
Operating profit	4,898	567	5,465
Finance income			63
Finance costs			(15)
Income tax expense			(411)
Profit for the year			5,102
Amortisation of intangible assets	381	-	381
Depreciation of property, plant and equipment	1,421	307	1,728
Addition to property, plant and equipment	1,866	116	1,982
Addition to intangible assets	1,778	-	1,778
Allowance for inventory obsolescence	48	72	120
Assets and liabilities			
Segment assets	61,066	12,550	73,616
<u>Unallocated assets</u>			
- Non-current assets			583
- Other receivables			2,082
- Deferred taxation			743
- Cash and cash equivalents			9,705
Total assets			86,729
Segment liabilities	14,241	5,687	19,928
<u>Unallocated liabilities</u>			
- Other payables			5,575
- Provision for income tax			605
- Deferred taxation			538
Total liabilities			26,646

FY2013	Sat Comms	CM	Group
	US\$'000	US\$'000	US\$'000
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)
Profit for the year			8,038
Amortisation of intangible assets	6	-	6
Impairment of intangible assets	16	-	16
Depreciation of property, plant and equipment	1,205	230	1,435
Addition to property, 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
Assets and liabilities			
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
Total assets			79,342
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
Total liabilities			34,550

13(b) Geographical Information

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

FY2014	America US\$'000	Europe US\$'000	Asia US\$'000	Rest of the World US\$'000	Group US\$'000
Revenue	73,230	35,628	22,127	3,150	134,135
Non-current assets	-	16,427	4,015	-	20,442

FY2013	America US\$'000	Europe US\$'000	Asia US\$'000	Rest of the World US\$'000	Group US\$'000
Revenue	57,991	26,559	26,240	4,960	115,750
Non-current assets	-	13,554	3,638	-	17,192

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.**

		FY2014 US\$'000	FY2013 US\$'000	% increase/ (decrease)
(a)	Sales reported for first half year	69,834	55,306	26.3
(b)	Operating profit after income tax before deducting minority interests reported for first half year	3,651	3,390	7.7
(c)	Sales reported for second half year	64,301	60,444	6.4
(d)	Operating profit after income tax before deducting minority interests reported for second half year	1,451	4,648	(68.8)

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

	FY2014 US\$'000	FY2013 US\$'000
Ordinary	925	-
Preference	-	-
Total Annual Dividend	925	-

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 2014.

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.

The Company completed the listing of the Company's shares on the AIM market of the London Stock Exchange on 2 July 2014 which raised net proceeds of US\$12.9 million. As at 31 December 2014, the net proceeds has been utilised as follows:

- (a) the net proceeds of US\$3.5 million to pay for the cash consideration less the retention in relation to the acquisition of Foxcom.

The above utilisation of the net proceeds is in accordance with the stated use and in accordance with the amount and percentage allocated to such utilisation in the admission document dated 27 June 2014.

BY ORDER OF THE BOARD
Anthony Brian Taylor
Chairman

26 February 2015