



GLOBAL INVACOM GROUP LIMITED

(Incorporated in Singapore)
 (Company Registration Number 200202428H)
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HALF-YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE HALF-YEAR ENDED 30 JUNE 2015

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 6 months ended 30 June 2015. These figures have not been audited.

	Group		Increase/ (Decrease) %
	1H FY2015 US\$'000	1H FY2014 US\$'000	
Revenue	53,970	69,834	(22.7)
Cost of sales	(42,818)	(52,447)	(18.4)
Gross profit	11,152	17,387	(35.9)
Other income	51	51	0.0
Distribution costs	(56)	(120)	(53.3)
Administrative expenses	(13,601)	(12,619)	7.8
Other operating expenses	(123)	(437)	(71.9)
Finance income	15	5	200.0
Finance costs	(20)	-	N.M.
(Loss)/Profit before income tax⁽ⁱ⁾	(2,582)	4,267	N.M.
Income tax expense	(258)	(616)	(58.1)
(Loss)/Profit after income tax attributable to equity holders of the Company	(2,840)	3,651	N.M.

Other comprehensive (loss)/income:

Items that may be reclassified subsequently to profit or loss

- Exchange differences on translation of foreign subsidiaries	(54)	224	N.M.
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Items that may not be reclassified subsequently to profit or loss

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Other comprehensive (loss)/income for the period, net of tax

(54)	224	N.M.
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Total comprehensive (loss)/income for the period attributable to equity holders of the Company

(2,894)	3,875	N.M.
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N.M.: Not Meaningful

Note:

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

	Group		Increase/ (Decrease) %
	1H FY2015 US\$'000	1H FY2014 US\$'000	
Other Income	51	51	0.0
Interest income	15	5	200.0
Interest expense on borrowings	(20)	-	N.M.
Loss on foreign exchange	(78)	(229)	(65.9)
Loss on disposal of property, plant and equipment	(45)	-	N.M.
Loss on de-registration of subsidiary	-	(208)	N.M.
Depreciation of property, plant and equipment	(797)	(907)	(12.1)
Amortisation of intangible assets	(176)	(193)	(8.8)
Allowance for inventory obsolescence	(253)	-	N.M.
Operating lease expense	(787)	(906)	(13.1)
Research and development expense	(388)	(127)	205.5

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	
	30 Jun 2015 US\$'000	31 Dec 2014 US\$'000	30 Jun 2015 US\$'000	31 Dec 2014 US\$'000
ASSETS				
Non-current Assets				
Property, plant and equipment	10,405	11,082	4	7
Investments in subsidiaries	-	-	46,646	47,446
Goodwill	4,153	4,153	-	-
Intangible assets	4,580	4,456	-	-
Available-for-sale financial assets	8	8	-	-
Deferred tax asset	1,042	743	-	-
Other receivables and prepayments	-	-	8,552	8,283
	20,188	20,442	55,202	55,736
Current Assets				
Due from subsidiaries	-	-	585	1,099
Inventories	26,331	27,010	-	-
Trade receivables	14,590	15,406	-	-
Other receivables and prepayments	2,891	2,669	5,695	5,541
Cash and cash equivalents	19,383	21,202	8,191	7,331
	63,195	66,287	14,471	13,971
Total assets	83,383	86,729	69,673	69,707
EQUITY AND LIABILITIES				
Share Capital and Reserves				
Share capital	60,423	60,423	74,240	74,240
Treasury shares	(7,817)	(3,421)	(7,817)	(3,421)
Reserves	(1,261)	3,081	(8,765)	(9,201)
Total equity	51,345	60,083	57,658	61,618
Non-current Liabilities				
Other payables	454	433	-	-
Deferred tax liabilities	795	538	-	-
	1,249	971	-	-
Current Liabilities				
Due to subsidiaries	-	-	6,582	2,556
Trade payables	17,414	14,499	-	-
Other payables	10,475	10,571	5,361	5,459
Borrowings	2,474	-	-	-
Provision for income tax	426	605	72	74
	30,789	25,675	12,015	8,089
Total liabilities	32,038	26,646	12,015	8,089
Total equity and liabilities	83,383	86,729	69,673	69,707

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

Amount repayable in one year or less, or on demand

As at 30 Jun 2015		As at 31 Dec 2014	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
2,474	-	-	-

Amount repayable after one year

As at 30 Jun 2015		As at 31 Dec 2014	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
-	-	-	-

Details of any collateral

The secured loans of US\$2,474,000 were secured over a subsidiary's bank deposit 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	
	1H FY2015 US\$'000	1H FY2014 US\$'000
Cash Flows from Operating Activities		
(Loss)/Profit before income tax	(2,582)	4,267
Adjustments for:		
Depreciation of property, plant and equipment	797	907
Loss on disposal of property, plant and equipment	45	-
Loss on de-registration of subsidiary	-	208
Amortisation of intangible assets	176	193
Allowance for inventory obsolescence	253	-
Unrealised exchange loss	162	307
Interest income	(15)	(5)
Interest expense	20	-
Share awards	-	5
Share-based payments	46	44
Operating cash flow before working capital changes	(1,098)	5,926
Changes in working capital:		
Inventories	411	(3,371)
Trade receivables	705	(2,117)
Other receivables and prepayments	(500)	(464)
Trade and other payables	3,316	3,034
Cash generated from operating activities	2,834	3,008
Interest paid	(20)	-
Income tax paid	(452)	(187)
Net cash generated from operating activities	2,362	2,821
Cash Flows from Investing Activities		
Interest received	15	5
Purchase of property, plant and equipment	(235)	(1,261)
Increased in capitalised development cost	(265)	(729)
Net cash used in investing activities	(485)	(1,985)
Cash Flows from Financing Activities		
Proceeds from borrowings	2,640	472
Repayment of borrowings	(166)	(128)
Dividends paid	(1,078)	(925)
Purchase of treasury shares	(7,173)	-
Sale of treasury shares	2,361	-
(Increase)/Decrease in restricted cash	(2,781)	315
Net cash used in financing activities	(6,197)	(266)
Net (decrease)/increase in cash and cash equivalents	(4,320)	570
Cash and cash equivalents at the beginning of the period	20,555	13,752
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(280)	(131)
Cash and cash equivalents at the end of the period⁽ⁱ⁾	15,955	14,191

Note:

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

	1H FY2015 US\$'000	1H FY2014 US\$'000
Cash and bank balances	18,733	14,191
Fixed deposits	650	595
	<hr/> 19,383	<hr/> 14,786
Less: Restricted cash*	(3,428)	(595)
Cash and cash equivalents per the consolidated statement of cash flows	<hr/> 15,955	<hr/> 14,191

* Restricted cash includes fixed deposits amounting to US\$400,000 (1H FY2014: US\$400,000) pledged with the banks for facilities and loans granted to the Group. As at 30 June 2015, the Group had utilised US\$2,474,000 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	Treasury shares 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 2015	60,423	(3,421)	(10,150)	6	131	642	(360)	12,812	60,083
Purchase of treasury shares	-	(7,173)	-	-	-	-	-	-	(7,173)
Sale of treasury shares	-	2,777	-	-	-	(416)	-	-	2,361
Share-based payments	-	-	-	-	46	-	-	-	46
Payment of dividends	-	-	-	-	-	-	-	(1,078)	(1,078)
Transfer to capital reserve in accordance with statutory requirements	-	-	-	-	-	53	-	(53)	-
Loss for the period	-	-	-	-	-	-	-	(2,840)	(2,840)
Other comprehensive loss:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	(54)	-	(54)
Total other comprehensive loss for the period	-	-	-	-	-	-	(54)	(2,840)	(2,894)
Balance as at 30 Jun 2015	60,423	(7,817)	(10,150)	6	177	279	(414)	8,841	51,345
Balance as at 1 Jan 2014	46,116	(955)	(10,150)	6	43	555	455	8,722	44,792
Share awards	-	5	-	-	-	-	-	-	5
Share-based payments	-	-	-	-	44	-	-	-	44
Payment of dividends	-	-	-	-	-	-	-	(925)	(925)
Profit for the period	-	-	-	-	-	-	-	3,651	3,651
Other comprehensive income:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	224	-	224
Total other comprehensive income for the period	-	-	-	-	-	-	224	3,651	3,875
Balance as at 30 Jun 2014	46,116	(950)	(10,150)	6	87	555	679	11,448	47,791

Company	Share capital US\$'000	Treasury shares US\$'000	Share options reserve US\$'000	Capital reserve US\$'000	Foreign currency translation reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 Jan 2015	74,240	(3,421)	131	-	1,714	(11,046)	61,618
Purchase of treasury shares	-	(7,173)	-	-	-	-	(7,173)
Sale of treasury shares	-	2,777	-	(416)	-	-	2,361
Share-based payments	-	-	46	-	-	-	46
Payment of dividends	-	-	-	-	-	(1,078)	(1,078)
Profit for the period	-	-	-	-	-	2,862	2,862
Other comprehensive loss:							
Exchange differences on translating foreign operations	-	-	-	-	(978)	-	(978)
Total other comprehensive (loss)/income for the period	-	-	-	-	(978)	2,862	1,884
Balance as at 30 Jun 2015	74,240	(7,817)	177	(416)	736	(9,262)	57,658
Balance as at 1 Jan 2014	59,933	(955)	43	-	4,620	(11,441)	52,200
Share awards	-	5	-	-	-	-	5
Share-based payments	-	-	44	-	-	-	44
Payment of dividends	-	-	-	-	-	(925)	(925)
Loss for the period	-	-	-	-	-	(435)	(435)
Other comprehensive income:							
Exchange differences on translating foreign operations	-	-	-	-	695	-	695
Total other comprehensive income/(loss) for the period	-	-	-	-	695	(435)	260
Balance as at 30 Jun 2014	59,933	(950)	87	-	5,315	(12,801)	51,584

- 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.

1H FY2015	No. of shares	US\$'000
Balance as at 1 Jan 2015	269,059,299	70,819
Purchase of treasury shares	(26,614,900)	(7,173)
Sale of treasury shares	12,000,000	2,777
Balance as at 30 Jun 2015	<u>254,444,399</u>	<u>66,423</u>

1H FY2014	No. of shares	US\$'000
Balance as at 1 Jan 2014	231,802,299	58,978
Issuance of share awards	30,000	5
Balance as at 30 Jun 2014	<u>231,832,299</u>	<u>58,983</u>

There were 27,957,900 and 5,970,000 treasury shares held by the Company as at 30 June 2015 and 30 June 2014 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.

	30 Jun 2015	31 Dec 2014
Total number of issued shares excluding treasury shares	254,449,399	269,059,299

- 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.

1H FY2015	No. of shares	US\$'000
Balance as at 1 Jan 2015	13,343,000	3,421
Purchase of treasury shares	26,614,900	7,173
Sale of treasury shares	(12,000,000)	(2,777)
Balance as at 30 Jun 2015	<u>27,957,900</u>	<u>7,817</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 period ended 30 June 2015 as those used in the audited financial statements for the year ended 31 December 2014, except for the adoption of the new or revised International Financial Reporting Standards ("IFRS") applicable for the financial period beginning 1 January 2015.

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	
	1H FY2015 US\$	1H FY2014 US\$
(a) Based on weighted average number of ordinary shares on issue; and	(1.10) cents	1.58 cents
(b) On a fully diluted basis	(1.09) cents	1.56 cents
Weighted average number of ordinary shares used in computation of basic earnings per share	258,234,120	231,803,625
Weighted average number of ordinary shares used in computation of diluted earnings per share	259,391,176	234,434,003

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	
	30 Jun 2015 US\$	31 Dec 2014 US\$	30 Jun 2015 US\$	31 Dec 2014 US\$
Net asset value ("NAV") per ordinary share based on issued share capital	20.18 cents	22.33 cents	22.66 cents	22.90 cents
Total number of issued shares	254,444,399	269,059,299	254,444,399	269,059,299

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 decreased by US\$15.9 million, or 22.7%, to US\$54.0 million in 1H FY2015 from US\$69.8 million in 1H FY2014. This was primarily due to delays in sales to major customers in America, Europe, Asia and Rest of the World ("RoW"). Three of the Group's major customers either temporarily destocked or altered their procurement procedures during the period under review. Most of the orders have restarted from July 2015 and are expected to contribute to the financial performance of the Group in the second half of 2015 ("2H FY2015"). The Group also recognised six months' contribution of US\$1.7 million revenue in 1H FY2015 from its latest acquisition, OnePath Networks Limited (trading as "Foxcom"), in Israel.

By geography, revenue from all regions declined, with America, Europe, Asia and RoW regions decreased by US\$10.0 million (-25.4%), US\$1.6 million (-8.7%), US\$4.0 million (-39.7%) and US\$0.3 million (-12.4%), respectively.

Gross Profit

Gross profit decreased by US\$6.2 million or 35.9% to US\$11.2 million in 1H FY2015 from US\$17.4 million in 1H FY2014. Gross profit margin declined to 20.7% in 1H FY2015 from 24.9% in 1H FY2014 due to the reclassification of products in relation to import duty taxes to the United States ("U.S.") that the Group is contesting, the weakening of the Malaysia Ringgit against the US dollar (which affected the Group's Malaysia operations) and the lack of availability of semi-conductor devices which delayed production and incurred additional logistics costs.

Administrative Expenses

Administrative expenses increased by US\$1.0 million or 7.8% to US\$13.6 million in 1H FY2015 from US\$12.6 million in 1H FY2014, representing 25.2% and 18.1% of revenue, respectively. These expenses included the costs of defending an ongoing legal dispute with a supplier of its United Kingdom ("U.K.") subsidiary that the Group is strongly defending. The Group has restructured one of its U.K. facilities following the completion of several large scale R&D projects and the Shanghai facility has put in place improvements in order to streamline internal efficiencies which the Group anticipates will translate into operational cost improvements in 2H FY2015. In addition, the Group also recognised six months' of Foxcom's manpower and expenses in 1H FY2015.

Other Operating Expenses

Other operating expenses decreased to US\$0.1 million in 1H FY2015 mainly attributable to foreign exchange gain from the strengthening of the USD Dollar against Sterling Pounds compared to 1H FY2014.

Profit before Tax

The Group recorded a loss before tax of US\$2.6 million in 1H FY2015 from a profit before tax of US\$4.3 million in 1H FY2014, with a negative margin of 4.8% compared to a margin of 6.1%, respectively.

Taxation

Income tax reduced by US\$0.4 million or 58.1% to US\$0.3 million in 1H FY2015 from US\$0.6 million in 1H FY2014 mainly due to the reduction of taxable profits in the U.K..

Net Profit

Overall, the Group posted a net loss of US\$2.8 million in 1H FY2015, down from a net profit of US\$3.7 million in 1H FY2014, with a net loss margin of 5.3% compared to a net profit margin of 5.2%, respectively.

Review of Financial Position

Non-current assets decreased due to the depreciation of property, plant and equipment, offset by the recognition of a deferred tax asset in the U.K..

Net current assets decreased by US\$8.2 million to US\$32.4 million as at 30 June 2015 from US\$40.6 million as at 31 December 2014, mainly due to the decrease in inventories by US\$0.7 million to US\$26.3 million and trade and other receivables by US\$0.6 million to US\$17.5 million, offset by the increase in trade and other payables by US\$2.8 million to US\$27.9 million. Borrowings increased to US\$2.5 million while cash and cash equivalents declined by US\$1.8 million to US\$19.4 million following the sale and subsequent purchase of 12.0 million and 26.6 million treasury shares, respectively. Provision for tax decreased by US\$0.2 million to US\$0.4 million, with the reduction of taxable profits.

Non-current liabilities increased by US\$0.3 million due to the recognition of deferred tax liabilities in the U.K..

The Group's net asset value stood at US\$51.3 million as at 30 June 2015 compared to US\$60.1 million as at 31 December 2014.

Review of Cash Flows

Net cash generated from operating activities during the period was US\$2.4 million, comprising cash flow from operating cash activities before working capital changes of US\$1.1 million, net working capital inflow of US\$4.0 million and payment of interest and income tax expense of US\$0.5 million.

Net cash used in investing activities was US\$0.5 million, which comprised the purchase of machinery and equipment and increase in capitalised development cost.

Net cash used in financing activities was US\$6.2 million, arising from payment of dividends of US\$1.1 million, sale and purchase of 12.0 million and 26.6 million treasury shares of US\$4.8 million, increase in restricted cash of US\$2.8 million, offset by the net proceeds from borrowings of US\$2.5 million.

Overall, the Group recorded a net decrease in cash and cash equivalents of US\$4.3 million in 1H FY2015 bringing cash and cash equivalents per the consolidated statement of cash flows to US\$16.0 million as at 30 June 2015.

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 performance guidance made by the Company on 29 July 2015 that the Group expects to report a net loss between US\$2.5 million and US\$3.0 million for 1H FY2015, the Group's 1H FY2015 results have shown a net loss of US\$2.8 million.

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 market for Satellite Communications ("Sat Comms") equipment continues to expand amidst growing global demand for data and connectivity. Developing markets such as Latin America and the Middle East have yet to be saturated with terrestrial networks, leaving them open to new satellite services. In addition, more governments are turning to commercial satellites to increase connectivity and spur economic growth. The global satellite manufacturing and launch market is expected to grow at a CAGR of 5.14% between 2014 and 2019.

(Links: <http://globenewswire.com/news-release/2015/07/15/752345/10141822/en/New-Applications-Drive-60-Billion-Communications-Satellite-Market.html>;
http://www.researchandmarkets.com/research/8kfnp8/global_satellite)

Even as demand for Internet connectivity and higher bandwidth (for rich content) continues to grow, the Group is extending its global leadership in the Sat Comms market. Since achieving listed status in 2012, it has initiated a series of corporate actions and acquisitions to pursue this goal. The latest, announced on 2 June 2015, relates to the proposed acquisition of Skyware Global, a leading U.S. manufacturer of satellite terminals, for up to US\$11.6 million. The consideration will be satisfied through the issuance of approximately US\$6.6 million in treasury shares, as well as entry into a cash earn-out model to pay Skyware up to a maximum of US\$5.0 million. The acquisition is subject to shareholders' approval at an extraordinary general meeting to be convened on 19 August 2015.

The acquisition of Skyware will provide the Group with a U.S. presence in the global manufacturing business, adding to its existing footprint in Asia and Europe. It will also provide access to new customers, including a major U.S. broadcaster that is launching two new satellites in 2016 – a development expected to increase demand for the Group's VSAT terminals. The acquisition offers a number of synergies and cost savings for Global Invacom, including the integration of the North Carolina plant into the enlarged procurement and supply chain process, as well as the introduction of Skyware's VSAT technology for the Ka-band to Asian markets. Post-acquisition, Global Invacom will also seek to improve Skyware's internal efficiencies. The Group is confident of returning Skyware to profitability through the synergies and cost savings created, as well as enhanced efficiencies and cross selling.

The resumption since July 2015 of most of the delayed orders by major customers in the U.S., U.K. and Asia is expected to contribute to the Group's financial performance in 2H FY2015. The Group will continue to invest in research and development to enhance its competitive position to drive long term sustainable growth.

The Group operates with multiple currencies and will continue to be affected by exchange rate volatility.

In view of the above factors, the Group is reasonably confident, barring unforeseen circumstances, of an improvement in performance for 2H FY2015.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(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

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the six months ended 30 June 2015.

13. **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 six months ended 30 June 2015.

14. **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 30 June 2015, 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.

CONFIRMATION BY THE BOARD OF DIRECTORS (THE “BOARD”) PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

We do hereby confirm, for and on behalf of the Board of Global Invacom Group Limited (the “Company”), that to the best of our knowledge, nothing has come to the attention of the Board of the Company which may render the financial results for the six months ended 30 June 2015 to be false or misleading in any material aspect.

On behalf of the Board

Anthony Brian Taylor
Director

Matthew Jonathan Garner
Director

BY ORDER OF THE BOARD
Anthony Brian Taylor
Chairman

14 August 2015