



Global Invacom Records Eighth Consecutive Quarter of Profitability in Q4 FY2018

Singapore/London, 1 March 2019 – Global Invacom (SGX:QS9) (AIM:GINV), the global provider of satellite communications, is pleased to announce its results for the full year ended 31 December 2018 (“FY2018”) and the three months ended 31 December 2018 (“Q4 FY2018”).

The Group recorded their eighth consecutive quarter of net profit attributable to shareholders of US\$0.9 million, a 14.2% increase from the three months ended 31 December 2017 (“Q4 FY2017”), lifted by higher revenue which grew 22.2% to US\$36.4 million in Q4 FY2018. Revenue for the full year of FY2018 increased by US\$6.6 million or 5.7% to US\$122.3 million from US\$115.7 million in the prior year (“FY2017”). The rise in revenue, particularly for Q4 FY2018, was mainly due to the supply of new designs for key products to some of the Group’s major customers.

Gross profit (“GP”) saw an 18.2% increase to US\$7.4 million from US\$6.3 million in the previous corresponding quarter. Gross profit margin dipped slightly by 0.7 percentage points from 21.1% to 20.4% in the same period.

In Q4 FY2018, the Group recorded higher volume of shipments for its recently launched Western Arc Slimline Low Noise Block (LNB) to a major U.S. customer. The Group will remain the sole supplier to this customer until end of Q1 FY2019. Reflecting confidence in the Group’s product quality and capabilities, shipments of the Eastern Arc model have also commenced from Q1 FY2019 to this same customer.

Data over satellite continues to be important for the Group, having made shipments of its new 90 cm satellite antenna throughout FY2018, as sole supplier, to another U.S. customer. Shipments on a non-exclusive basis are expected to continue throughout FY2019 and beyond.

In addition, one of the Group’s existing customers, a major global VSAT integrator, which has been purchasing antennas from the Group, has now added new orders for data over satellite transceiver electronics resulting from the Skyware Technologies purchase in Q3 FY2018.

Mr. Tony Taylor, Executive Chairman of Global Invacom, commented, “Notwithstanding the slower pace of the transition to DCSS products, growth of the satellite communications equipment market will continue. With the emerging trends of the Internet of Things, 5G and autonomous vehicles, satellite communications technology will continue to be a vital part of modern society, and we are in a good position to capitalise on the growing demand in this market.

“We will continue to build on our foundation as the leading global manufacturer of satellite equipment by developing new and innovative products that address the customer’s needs,” he added.

On a geographical basis, FY2018 revenue increased in the U.S. and Europe by US\$4.8 million (+5.9%) and US\$3.3 million (+14.0%), respectively, which were offset by decreases in Asia and Rest of the World by US\$1.4 million (-20.7%) and US\$0.1 million (-3.2%), respectively.

The Group's GP for FY2018 rose to US\$25.2 million from US\$24.2 million last year ("FY2017"). However, GP margin decreased by 0.3 percentage points from 20.9% to 20.6% for FY2018 due to cost of sales outpacing revenue growth.

Global Invacom's U.S. operations faced supply chain issues in Q4 FY2018 which impacted profitability. Had it not been for these issues, GP for Q4 FY2018 would have been higher for Global Skyware which, nonetheless, closed off FY2018 with a second year of profitability, following a turnaround that resulted from changes to operations since FY2016.

The Group's continuing emphasis on product development through R&D spending contributed to the 9.4% increase in administrative expenses for FY2018 to US\$22.9 million from US\$21.0 million in FY2017.

Earnings per share on a fully diluted basis declined to 0.57 US cent for FY2018 (FY2017: 1.08 US cents). Net asset value per share increased to 20.84 US cents as at 31 December 2018 from 20.42 US cents as at 31 December 2017. The Group's cash and cash equivalents amounted to US\$8.4 million as at 31 December 2018.

The Group had announced in Q4 FY2018 a proposal to acquire Tactilis Sdn. Bhd., a manufacturer and distributor of biometric system-on-card solutions which, if completed, will constitute a reverse takeover. Subsequent to the end of the review period, the Group appointed a Financial Adviser. The Group will provide further updates on this transaction in due course.

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

For further information, please contact:

Global Invacom Group Limited

Matthew Garner, Chief Financial Officer

www.globalinvacom.com

Tel: +65 6431 0782

Tel: +44 203 053 3523

finnCap Ltd (Nominated Adviser and Joint Broker)

Christopher Raggett / Matthew Radley (Corporate Finance)

www.finncap.com

Tel: +44 207 220 0500

Mirabaud Securities LLP (Joint Broker)

Peter Krens (Equity Capital Markets)

www.mirabaud.com

Tel: +44 207 878 3362

WeR1 Consultants Pte Ltd (Singapore Investor Relations)

Lai Kwok Kin

ginv@wer1.net

www.wer1.net

Tel: +65 6737 4844

Vigo Communications (UK Media & Investor Relations)

Jeremy Garcia / Fiona Henson / Charlie Neish

www.vigocomms.com

Tel: +44 207 390 0238

ginv@vigocomms.com

About Global Invacom Group Limited

Global Invacom is a fully integrated satellite equipment provider with six manufacturing plants across China, Israel, Malaysia, UK and the US. Its customers include satellite broadcasters such as BSkyB of the UK and Dish Network of the USA and Data over Satellite providers including Hughes Network Systems, Viasat and Gilat Satellite Networks.

Global Invacom provides a full range of antennas, LNB receivers, transceivers, fibre distribution equipment, transmitters, switches and video distribution components and electronics manufacturing services in satellite communications as well as manufacturing services in military, medical, and consumer electronics industries. Following the acquisition in 2015 of Global Skyware, a leading US-based designer and supplier of satellite antennas products and services, the Company became the world's only full-service outdoor unit supplier.

Global Invacom is listed on the Mainboard of the Singapore Exchange Securities Trading Limited and its shares are admitted to trading on the AIM Market of the London Stock Exchange.

For more information, please refer to www.globalinvacom.com