



**Global Invacom Group Limited**  
("Global Invacom", the "Company" or the "Group")

**Results for the six months ended 30 June 2018**  
**("1H FY2018")**

Global Invacom (SGX: QS9) (AIM: GINV), the global provider of satellite communications equipment, is pleased to announce its financial results for the six months ended 30 June 2018 ("1H FY2018") and three months ended 30 June 2018 ("Q2 FY2018").

**Key financial highlights:**

- The Company announced sixth consecutive quarter of profitability in Q2 FY2018
- Revenue remained stable at US\$55.4m (1H FY2017: US\$57.4m)
- Gross profit margin improved 0.6% point to 21.2% (1H FY2017: 20.6%)
- Gross profit constant at US\$11.8m (1H FY2017: US\$11.8m)
- Cash and cash equivalents of US\$13.4m (31 December 2017: US\$7.2m)

**Key operational highlights:**

- Continued progress and sales momentum from increased adoption of Digital Channel Stacking Switch ("DCSS") products
- Group continues to leverage and grow its existing position in the sizeable and expanding Very Small Aperture Terminal ("VSAT") market for data/internet by satellite
- Focused on further product deployment and diversification to expand the Group's product offering and geographical reach
- Appointment of Malcolm John Burrell as Chief Technology Officer, to drive new technology development in global satellite communications sector

The Group's sales reflected continued demand across the global footprint, with notable sales growth in Europe, particularly for VSAT and DCSS products.

The global market for satellite communications equipment remains robust, amidst a period of major industry-wide change. The transition of technology to DCSS products presents Global Invacom with a number of opportunities, in particular for ground equipment for Direct-to-Home ("DTH") television viewing via satellite, and the increased global demand for data/internet everywhere through its VSAT equipment.

The Group expects to roll out more advanced satellite broadcasting products in the US and Europe to meet growing demand for DCSS products as broadcasters continue to migrate to the new technology. The Group remains confident of its ability to capitalise on the opportunity through leveraging its customer relationships as the adoption of DCSS continues apace.

The Group also notes that despite a slowdown in the US, there is still a global increase in demand for DTH satellite broadcast services, and therefore demand from broadcasters for the associated equipment required to deliver services. The Group notes however that the US still has a sizeable target market with over 169 million pay TV subscribers<sup>1</sup> who are still transitioning to DCSS technology.

Demand for data/internet continues to grow globally, with VSAT technology key in delivering connectivity in many territories and geographies. In 1H FY2018, 38.7% of revenues for the Group were generated from sales of VSAT products around the world, and we continue to see demand increasing for these products across the Group's global footprint.

As one of only seven companies capable of delivering fully integrated satellite communications design, manufacture and innovation services, Global Invacom is well positioned in both markets to capitalise on the opportunity.

In the second half of 2018, the Group will continue to build on the manufacturing improvements made in 2017 and the first half of the year, and research and development will remain a key priority. In June 2018, Global Invacom announced the appointment of Malcolm John Burrell as Chief Technology Officer who will oversee the continued innovation to provide best in class solutions to broadcasters, developers and mobile systems integrators. Technological improvements such as the new slimline products will allow the Group to continue to improve margins and Global Invacom will continue to develop efficient and cost-effective products.

The first half of the year has also seen the successful roll out of the Group's Iridium In-hanger GPS solution through its wholly owned subsidiary Foxcom. Initially aimed at the aerospace sector, this product has broad applications and demonstrates the Group's ability to diversify into new markets.

**Tony Taylor, Executive Chairman of Global Invacom, commented:**

*"The satellite ground equipment sector is undergoing a once-in-a-decade technological shift, and the company is very well placed to benefit. The innovative products that we are developing such as new slimline products, low-cost LNBS and new satellite antennas are in continual demand.*

*In the VSAT market, the Group is observing rising demand driven by developing countries and rural communities demanding enhanced connectivity where cable or fibre is not a viable solution, proving satellites can be an attractive option compared to other communication technologies.*

*Our core focus remains to leverage our position in the market to drive sales, and to continue driving R&D, to develop innovative, market leading products that meet customer demands. We have laid strong foundations in the first half of the year which will allow the Group to build momentum through the second half of FY2018 and beyond."*

The full financial statements can be viewed on Global Invacom's website: [www.globalinvacom.com](http://www.globalinvacom.com)

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**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.

Global Invacom provides a full range of antennas, LNB receivers, 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](http://www.globalinvacom.com)