GLOBAL INVACOM GROUP LIMITED

(Incorporated in Singapore)
(Company Registration Number 200202428H)
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FINANCIAL STATEMENT ANNOUNCEMENT FOR Q4 AND YEAR ENDED 31 DECEMBER 2017

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 Q4 and the year ended 31 December 2017. These figures have not been audited.

	Group			Group		
	Q4 FY2017 US$'000	Q4 FY2016 US$'000	Increase/ (Decrease) %	FY2017 US$'000	FY2016 US$'000	Increase/ (Decrease) %
Revenue	**29,757**	**30,965**	**(3.9)**	**115,706**	**127,308**	**(9.1)**
Cost of sales	(23,493)	(25,155)	(6.6)	(91,515)	(101,283)	(9.6)
Gross profit	6,264	5,810	7.8	24,191	26,025	(7.0)
Other income	335	358	(6.4)	1,335	375	256.0
Distribution costs	(27)	(76)	(64.5)	(290)	(308)	(5.8)
Administrative expenses	(5,405)	(7,869)	(31.3)	(20,950)	(26,395)	(20.6)
Other operating expenses	(47)	(602)	(92.2)	(139)	(689)	(79.8)
Finance income	16	4	300.0	30	17	76.5
Finance costs	(165)	(21)	685.7	(483)	(572)	(15.6)
Profit/(Loss) before income tax[(i)]	**971**	**(2,396)**	**N.M.**	**3,694**	**(1,547)**	**N.M.**
Income tax expense	(187)	(576)	(67.5)	(745)	(1,156)	(35.6)
Profit/(Loss) after income tax attributable to equity holders of the Company	**784**	**(2,972)**	**N.M.**	**2,949**	**(2,703)**	**N.M.**

Other comprehensive (loss)/income:						
Items that may be reclassified subsequently to profit or loss						
- Exchange differences on translation of foreign subsidiaries	(38)	64	N.M.	114	295	(61.4)
Other comprehensive (loss)/income for the period, net of tax	**(38)**	**64**	**N.M.**	**114**	**295**	**(61.4)**
Total comprehensive income/(loss) for the period attributable to equity holders of the Company	**746**	**(2,908)**	**N.M.**	**3,063**	**(2,408)**	**N.M.**

N.M.: Not Meaningful

Note:

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

	Group			Group		
	Q4 FY2017 US$'000	**Q4 FY2016 US$'000**	**Increase/ (Decrease) %**	**FY2017 US$'000**	**FY2016 US$'000**	**Increase/ (Decrease) %**
Interest income	16	4	300.0	30	17	76.5
Interest expense	(165)	(21)	685.7	(483)	(572)	(15.6)
Gain/(Loss) on foreign exchange	325	(93)	N.M.	599	(180)	N.M.
Write-back of payables	-	-	N.M.	578	-	N.M.
Gain/(Loss) on disposal of property, plant and equipment	7	(7)	N.M.	(6)	(7)	(14.3)
Impairment of property, plant and equipment	-	(139)	(100.0)	(86)	(139)	(38.1)
Depreciation of property, plant and equipment	(693)	(603)	14.9	(2,563)	(2,478)	3.4
Amortisation of intangible assets	(154)	(198)	(22.2)	(628)	(314)	100.0
Write-back/(Allowance) for inventory obsolescence, net	160	28	471.4	351	(455)	N.M.
(Allowance)/Write-back for impairment of trade receivables, net	(46)	355	N.M.	(46)	355	N.M.
Write-off of trade receivables	-	(363)	(100.0)	-	(363)	(100.0)
Operating lease expense	(595)	(486)	22.4	(2,857)	(2,987)	(4.4)
Research and development expense	(453)	(475)	(4.6)	(1,646)	(1,652)	(0.4)
Restructuring costs	-	(2,316)	(100.0)	-	(2,316)	(100.0)
Provision for litigation	-	(241)	(100.0)	-	(241)	(100.0)

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 2017 US$'000	31 Dec 2016 US$'000	31 Dec 2017 US$'000	31 Dec 2016 US$'000
ASSETS				
Non-current Assets				
Property, plant and equipment	12,393	13,177	7	4
Investments in subsidiaries	-	-	44,874	53,415
Goodwill	9,352	9,352	-	-
Intangible assets	2,172	2,828	-	-
Available-for-sale financial assets	8	8	-	-
Deferred tax assets	198	355	-	-
Other receivables and prepayments	55	55	9,154	-
	24,178	25,775	54,035	53,419
Current Assets				
Due from subsidiaries	-	-	1,895	867
Inventories	29,022	28,841	-	-
Trade receivables	19,268	16,934	-	-
Other receivables and prepayments	3,361	3,110	5,263	11,202
Tax receivables	11	1,002	-	-
Cash and cash equivalents	7,152	7,942	733	1,251
	58,814	57,829	7,891	13,320
Total assets	**82,992**	**83,604**	**61,926**	**66,739**
EQUITY AND LIABILITIES				
Equity				
Share capital	60,423	60,423	74,240	74,240
Treasury shares	(1,656)	(1,656)	(1,656)	(1,656)
Reserves	(3,297)	(6,453)	(13,320)	(12,929)
Total equity	**55,470**	**52,314**	**59,264**	**59,655**
Non-current Liabilities				
Other payables	111	1,222	-	-
Deferred tax liabilities	489	681	-	-
	600	1,903	-	-
Current Liabilities				
Due to subsidiaries	-	-	2,140	6,820
Trade payables	12,206	16,602	-	-
Other payables	6,528	6,323	454	196
Borrowings	8,025	6,108	-	-
Provision for income tax	163	354	68	68
	26,922	29,387	2,662	7,084
Total liabilities	**27,552**	**31,290**	**2,662**	**7,084**
Total equity and liabilities	**82,992**	**83,604**	**61,926**	**66,739**

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 2017		As at 31 Dec 2016	
Secured	**Unsecured**	**Secured**	**Unsecured**
US$'000	**US$'000**	**US$'000**	**US$'000**
8,025	-	6,108	-

Amount repayable after one year

As at 31 Dec 2017		As at 31 Dec 2016	
Secured	**Unsecured**	**Secured**	**Unsecured**
US$'000	**US$'000**	**US$'000**	**US$'000**
-	-	-	-

Details of any collateral

The revolving credit loans of US$8,025,000 were secured over the assets of the subsidiaries and corporate guarantees provided by the Company and the subsidiaries.

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		Group	
	Q4 FY2017 US$'000	Q4 FY2016 US$'000	FY2017 US$'000	FY2016 US$'000
Cash Flows from Operating Activities				
Profit/(Loss) before income tax	971	(2,396)	3,694	(1,547)
Adjustments for:				
Depreciation of property, plant and equipment	693	603	2,563	2,478
Amortisation of intangible assets	154	198	628	314
(Gain)/Loss on disposal of property, plant and equipment	(7)	7	6	7
Impairment of property, plant and equipment	-	139	86	139
(Write-back)/Allowance of inventory obsolescence	(160)	(28)	(351)	455
Impairment/(Write-back) of allowance for trade receivables	46	(355)	46	(355)
Write-off of trade receivables	-	363	-	363
Provision for litigation	-	241	-	241
Unrealised exchange (gain)/loss	(230)	210	(203)	140
Interest income	(16)	(4)	(30)	(17)
Interest expense	165	21	483	572
Share-based payments	8	42	93	260
Write-back of payables	-	-	(578)	-
Operating cash flow before working capital changes	**1,624**	**(959)**	**6,437**	**3,050**
Changes in working capital:				
Inventories	2,176	365	171	(1,437)
Trade receivables	(1,101)	743	(2,242)	4,224
Other receivables and prepayments	(1,056)	341	(242)	857
Trade and other payables	(2,260)	(1,543)	(4,867)	(2,011)
Cash (used in)/generated from operating activities	**(617)**	**(1,053)**	**(743)**	**4,683**
Interest paid	(58)	(128)	(333)	(662)
Income tax refund/(paid)	255	(312)	205	(825)
Net cash (used in)/generated from operating activities	**(420)**	**(1,493)**	**(871)**	**3,196**
Cash Flows from Investing Activities				
Interest received	16	10	30	23
Purchase of property, plant and equipment	(593)	(517)	(1,923)	(1,888)
Proceeds from disposal of property, plant and equipment	23	-	55	-
Decrease in restricted cash	-	213	1,200	218
Net cash used in investing activities	**(554)**	**(294)**	**(638)**	**(1,647)**

	Group		Group	
	Q4 FY2017 US$'000	**Q4 FY2016 US$'000**	**FY2017 US$'000**	**FY2016 US$'000**
Cash Flows from Financing Activities				
Proceeds from borrowings	8,216	10,554	49,193	45,757
Repayment of borrowings	(8,913)	(11,928)	(47,276)	(44,997)
Repayment of shareholders' loan	-	-	-	(2,850)
Net cash (used in)/generated from financing activities	**(697)**	**(1,374)**	**1,917**	**(2,090)**
Net (decrease)/increase in cash and cash equivalents	(1,671)	(3,161)	408	(541)
Cash and cash equivalents at the beginning of the period	8,873	10,044	6,742	7,448
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(50)	(141)	2	(165)
Cash and cash equivalents at the end of the period[(i)]	**7,152**	**6,742**	**7,152**	**6,742**

Note:

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

	Q4 FY2017 US$'000	**Q4 FY2016 US$'000**	**FY2017 US$'000**	**FY2016 US$'000**
Cash and bank balances	7,122	7,500	7,122	7,500
Fixed deposits	30	442	30	442
	7,152	7,942	7,152	7,942
Less: Restricted cash*	-	(1,200)	-	(1,200)
Cash and cash equivalents per the consolidated statement of cash flows	**7,152**	**6,742**	**7,152**	**6,742**

* Restricted cash in Q4 FY2016 included cash collateral of US$1,000,000 and fixed deposits amounted to US$200,000 pledged with the banks for banker's guarantee and loans granted to the Group. As at 31 December 2017, the Group had utilised US$8,025,000 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 2017	**60,423**	**(1,656)**	**(10,150)**	**6**	**613**	**(3,695)**	**(986)**	**7,759**	**52,314**
Share-based payments	-	-	-	-	40	-	-	-	40
Profit for the period	-	-	-	-	-	-	-	605	605
Other comprehensive loss:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	(113)	-	(113)
Total other comprehensive income for the period	-	-	-	-	-	-	(113)	605	492
Balance as at 31 Mar 2017	**60,423**	**(1,656)**	**(10,150)**	**6**	**653**	**(3,695)**	**(1,099)**	**8,364**	**52,846**
Share-based payments	-	-	-	-	35	-	-	-	35
Profit for the period	-	-	-	-	-	-	-	873	873
Other comprehensive income:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	221	-	221
Total other comprehensive income for the period	-	-	-	-	-	-	221	873	1,094
Balance as at 30 Jun 2017	**60,423**	**(1,656)**	**(10,150)**	**6**	**688**	**(3,695)**	**(878)**	**9,237**	**53,975**
Share-based payments	-	-	-	-	10	-	-	-	10
Profit for the period	-	-	-	-	-	-	-	687	687
Other comprehensive income:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	44	-	44
Total other comprehensive income for the period	-	-	-	-	-	-	44	687	731
Balance as at 30 Sep 2017	**60,423**	**(1,656)**	**(10,150)**	**6**	**698**	**(3,695)**	**(834)**	**9,924**	**54,716**
Share-based payments	-	-	-	-	8	-	-	-	8
Profit for the period	-	-	-	-	-	-	-	784	784
Other comprehensive loss:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	(38)	-	(38)
Total other comprehensive income for the period	-	-	-	-	-	-	(38)	784	746
Balance as at 31 Dec 2017	**60,423**	**(1,656)**	**(10,150)**	**6**	**706**	**(3,695)**	**(872)**	**10,708**	**55,470**

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 2016	**60,423**	**(1,656)**	**(10,150)**	**6**	**353**	**(3,786)**	**(1,281)**	**10,553**	**54,462**
Share-based payments	-	-	-	-	87	-	-	-	87
Loss for the period	-	-	-	-	-	-	-	(654)	(654)
Other comprehensive loss:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	578	-	578
Total other comprehensive loss for the period	-	-	-	-	-	-	578	(654)	(76)
Balance as at 31 Mar 2016	**60,423**	**(1,656)**	**(10,150)**	**6**	**440**	**(3,786)**	**(703)**	**9,899**	**54,473**
Share-based payments	-	-	-	-	86	-	-	-	86
Profit for the period	-	-	-	-	-	-	-	225	225
Other comprehensive loss:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	(99)	-	(99)
Total other comprehensive income for the period	-	-	-	-	-	-	(99)	225	126
Balance as at 30 Jun 2016	**60,423**	**(1,656)**	**(10,150)**	**6**	**526**	**(3,786)**	**(802)**	**10,124**	**54,685**
Share-based payments	-	-	-	-	45	-	-	-	45
Transfer to capital reserve in accordance with statutory requirements	-	-	-	-	-	91	-	(91)	-
Profit for the period	-	-	-	-	-	-	-	698	698
Other comprehensive loss:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	(248)	-	(248)
Total other comprehensive income for the period	-	-	-	-	-	-	(248)	698	450
Balance as at 30 Sep 2016	**60,423**	**(1,656)**	**(10,150)**	**6**	**571**	**(3,695)**	**(1,050)**	**10,731**	**55,180**
Share-based payments	-	-	-	-	42	-	-	-	42
Loss for the period	-	-	-	-	-	-	-	(2,972)	(2,972)
Other comprehensive income:									
Exchange differences on translating foreign operations	-	-	-	-	-	-	64	-	64
Total other comprehensive loss for the period	-	-	-	-	-	-	64	(2,972)	(2,908)
Balance as at 31 Dec 2016	**60,423**	**(1,656)**	**(10,150)**	**6**	**613**	**(3,695)**	**(986)**	**7,759**	**52,314**

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 2017	**74,240**	**(1,656)**	**613**	**(4,481)**	**(2,067)**	**(6,994)**	**59,655**
Share-based payments	-	-	38	-	-	-	38
Loss for the period	-	-	-	-	-	(85)	(85)
Other comprehensive income:							
Exchange differences on translating foreign operations	-	-	-	-	140	-	140
Total other comprehensive income for the period	-	-	-	-	140	(85)	55
Balance as at 31 Mar 2017	**74,240**	**(1,656)**	**651**	**(4,481)**	**(1,927)**	**(7,079)**	**59,748**
Share-based payments	-	-	37	-	-	-	37
Loss for the period	-	-	-	-	-	(56)	(56)
Other comprehensive loss:							
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive loss for the period	-	-	-	-	-	(56)	(56)
Balance as at 30 Jun 2017	**74,240**	**(1,656)**	**688**	**(4,481)**	**(1,927)**	**(7,135)**	**59,729**
Share-based payments	-	-	10	-	-	-	10
Loss for the period	-	-	-	-	-	(371)	(371)
Other comprehensive loss:							
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive loss for the period	-	-	-	-	-	(371)	(371)
Balance as at 30 Sep 2017	**74,240**	**(1,656)**	**698**	**(4,481)**	**(1,927)**	**(7,506)**	**59,368**
Share-based payments	-	-	8	-	-	-	8
Loss for the period	-	-	-	-	-	(112)	(112)
Other comprehensive loss:							
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive loss for the period	-	-	-	-	-	(112)	(112)
Balance as at 31 Dec 2017	**74,240**	**(1,656)**	**706**	**(4,481)**	**(1,927)**	**(7,618)**	**59,264**

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 2016	**74,240**	**(1,656)**	**353**	**(4,481)**	**(2,067)**	**(5,007)**	**61,382**
Share-based payments	-	-	87	-	-	-	87
Loss for the period	-	-	-	-	-	(527)	(527)
Other comprehensive loss:							
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive loss for the period	-	-	-	-	-	(527)	(527)
Balance as at 31 Mar 2016	**74,240**	**(1,656)**	**440**	**(4,481)**	**(2,067)**	**(5,534)**	**60,942**
Share-based payments	-	-	86	-	-	-	86
Loss for the period	-	-	-	-	-	(996)	(996)
Other comprehensive loss:							
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive loss for the period	-	-	-	-	-	(996)	(996)
Balance as at 30 Jun 2016	**74,240**	**(1,656)**	**526**	**(4,481)**	**(2,067)**	**(6,530)**	**60,032**
Share-based payments	-	-	45	-	-	-	45
Profit for the period	-	-	-	-	-	50	50
Other comprehensive income:							
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive income for the period	-	-	-	-	-	50	50
Balance as at 30 Sep 2016	**74,240**	**(1,656)**	**571**	**(4,481)**	**(2,067)**	**(6,480)**	**60,127**
Share-based payments	-	-	42	-	-	-	42
Loss for the period	-	-	-	-	-	(514)	(514)
Other comprehensive loss:							
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive loss for the period	-	-	-	-	-	(514)	(514)
Balance as at 31 Dec 2016	**74,240**	**(1,656)**	**613**	**(4,481)**	**(2,067)**	**(6,994)**	**59,655**

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.

FY2017	**No. of shares**	**US$'000**
Balance as at 1 Jan 2017 and 31 Dec 2017	271,662,227	72,584

FY2016	**No. of shares**	**US$'000**
Balance as at 1 Jan 2016 and 31 Dec 2016	271,662,227	72,584

There were 10,740,072 treasury shares held by the Company as at 31 December 2017 and 31 December 2016 and there were no subsidiary holdings.

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 2017	**31 Dec 2016**
Total number of issued shares excluding treasury shares	271,662,227	271,662,227

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.

FY2017	**No. of shares**	**US$'000**
Balance as at 1 Jan 2017 and 31 Dec 2017	10,740,072	1,656

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

FY2017	**No. of shares**	**US$'000**
Balance as at 1 Jan 2017 and 31 Dec 2017	-	-

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 31 December 2017 as those used in the audited financial statements for the year ended 31 December 2016, except for the adoption of the new or revised International Financial Reporting Standards ("IFRS") applicable for the financial period beginning 1 January 2017.

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 Group has adopted all of the new or revised IFRS that are effective for the financial period beginning 1 January 2017 and are relevant to its operations. The adoption of these IFRS does not have 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**		**Group**	
	Q4 FY2017 US$	**Q4 FY2016 US$**	**FY2017 US$**	**FY2016 US$**
(a) Based on weighted average number of ordinary shares on issue; and	0.29 cent	(1.09) cents	1.09 cents	(1.00) cent
(b) On a fully diluted basis	0.29 cent*	(1.09) cents	1.08 cents	(1.00) cent
Weighted average number of ordinary shares used in computation of basic earnings per share	271,662,227	271,482,055	271,662,227	271,482,055
Weighted average number of ordinary shares used in computation of diluted earnings per share	224,888,356	272,078,632	271,915,839	271,724,745

* Diluted earnings per share for Q4 FY2017 is the same as the basic earnings per share because the potential ordinary shares to be converted are anti-dilutive as the effect of the share conversion would be to increase the earnings per share.

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 2017 US$	**31 Dec 2016 US$**	**31 Dec 2017 US$**	**31 Dec 2016 US$**
Net asset value per ordinary share based on issued share capital	20.42 cents	19.26 cents	21.82 cents	21.96 cents
Total number of issued shares	271,662,227	271,662,227	271,662,227	271,662,227

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 for the twelve months ended 31 December 2017 ("FY2017") decreased by US$11.6 million to US$115.7 million from US$127.3 million in the prior year ("FY2016") primarily driven by the anticipated US$11.0 million reduction following the consolidation of the non-core Contract Manufacturing segment in the People's Republic of China ("PRC"). Revenue for the quarter ended ("Q4 FY2017") amounted to US$29.8 million, US$1.2 million lower than US$31.0 million in the prior quarter ("Q4 FY2016"), again mainly attributed to the US$2.0 million reduction from the consolidation of operations in Shenzhen.

Geographically, and again largely impacted by the cessation of the Contract Manufacturing operation, Group revenue for FY2017 declined in America, Europe and Asia by US$3.4 million (-4.1%), US$7.1 million (-23.0%) and US$1.6 million (-19.1%), respectively, partially offset by contributions in Rest of the World ("RoW") by US$0.5 million (+11.3%). Revenue for Q4 FY2017 declined in Europe, Asia and RoW by US$0.3 million (-4.8%), US$1.6 million (-56.7%) and US$0.1 million (-10.4%), respectively, offset by an increase in America by US$0.8 million (+4.1%) compared to the earlier year.

Gross Profit

Although gross profit for FY2017 decreased by US$1.8 million to US$24.2 million compared to US$26.0 million in FY2016 due to reduced revenue, the gross profit margin improved 0.5% to 20.9%.

For Q4 FY2017, gross profit increased by US$0.5 million to US$6.3 million from US$5.8 million on lower revenues driven by a gross margin improvement of 2.3% to 21.1% from process improvements and a more favourable product mix.

Other Income and Other Operating Expenses

Other income in Q4 FY2017 derived primarily from foreign exchange gains while other operating expenses were made up from allowances for impairment of trade receivables.

Administrative Expenses

Administrative expenses for FY2017 decreased 20.6% to US$21.0 million compared to US$26.4 million in FY2016, representing 18.1% and 20.7% of revenue respectively, relating to cost-saving initiatives and the absence in FY2017 of employee compensation payments amounting to approximately US$2.3 million relating to the PRC restructuring. The absence of these latter costs together with the consolidation of the two PRC operations into one (in Shanghai) resulted in administrative expenses decreasing 31.3% to US$5.4 million in Q4 FY2017 from US$7.9 million the year earlier, representing 18.2% and 25.4% of revenue, respectively.

Profit Before Tax & Net Profit

The Group posted a profit before tax of US$3.7 million in FY2017, reversing a US$1.5 million loss before tax the year earlier. Underlying profit before tax also improved by US$1.9 million year-on-year taking into account the FY2016, one-off expense of US$2.5 million for restructuring and impairment of the Shenzhen subsidiary and US$0.8 million relating to associated professional fees. Correspondingly, FY2017 margins improved to 3.2%, overturning the 1.2% adverse contribution in FY2016.

For the quarter ended Q4 FY2017, the Group recorded US$1.0 million profit before tax compared to US$2.4 million loss before tax in the prior year quarter, representing margins of 3.3% and negative 7.7%, respectively.

Overall, the Group posted a net profit of US$2.9 million in FY2017, contrasting to a US$2.7 million net loss in FY2016, representing net margins improved to 2.5% from negative 2.1% respectively.
The Group recorded a net profit of US$0.8 million in Q4 FY2017 compared to a net loss of US$3.0 million the prior year quarter, representing a positive net margin of 2.6% against a negative net margin of 9.6%, respectively.

Review of Financial Position

Non-current assets decreased, primarily due to the depreciation of property, plant and equipment, amortisation of intangible assets as well as a reduction in deferred tax assets.

Net current assets increased by US$3.5 million to US$31.9 million as at 31 December 2017 compared to US$28.4 million as at 31 December 2016. Inventories increased marginally by US$0.2 million and trade and other receivables increased by US$2.6 million owing to late quarter revenues and slower customer payments at the year end. Trade and other payables decreased by US$4.2 million following the continuing rectification of trade supplier payments primarily in the US operation. Borrowings increased by US$1.9 million to US$8.0 million as part of these rectifications and cash and cash equivalents reduced marginally to US$7.1 million as at 31 December 2017 compared to US$7.9 million as at 31 December 2016. Net tax receivables decreased by US$0.8 million to net tax payables of US$0.2 million as at 31 December 2017.

Non-current liabilities reduced with the reclassification of payables to current payables and the contraction of deferred tax liabilities.

The Group's net asset value stood at US$55.5 million as at 31 December 2017, compared to US$52.3 million as at 31 December 2016.

Review of Cash Flows

In Q4 FY2017, net cash used in operating activities amounted to US$0.4 million, comprising US$1.6 million cash inflow from operating activities (before working capital changes), US$2.2 million net working capital outflow and US$0.1 million payment of interest, offset by US$0.3 million refund of income tax.

In FY2017, net cash used in operating activities amounted to US$0.9 million, comprising US$6.4 million cash inflow from operating activities (before working capital changes), US$7.2 million net working capital outflow and US$0.3 million payment of interest, offset by US$0.2 million refund of income tax.

Net cash used in investing activities in Q4 FY2017 and FY2017 amounted both to US$0.6 million, relating predominately to purchase of machinery.

Net cash used in financing activities amounted to US$0.7 million in Q4 FY2017 and net cash generated from financing activities amounted to US$1.9 million in FY2017, attributable to the net repayment and proceeds of borrowings, respectively.

Overall, the Group recorded a net decrease in cash and cash equivalents amounting to US$1.7 million in Q4 FY2017 opposed to a net increase of US$0.4 million in FY2017, bringing cash and cash equivalents per the consolidated statement of cash flows to US$7.2 million as at 31 December 2017.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No prospect statement was made.

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.

In the face of the continuous newsflow regarding the increase in Over-The-Top (OTT) viewing and the reduction in satellite subscribers in the developed markets, it is interesting to note that the market for satellite ground equipment, according to the Satellite Industry Association's 2017 State of the Satellite Industry Report[1], grew 2% to US$260.5 billion, attributed mainly to increasing consumer appetite for higher quality video (4K and developing 8K) and commercial viability in remote areas. Moreover, the inherent cost-effectiveness of satellite provision over its cable alternative reflects shifting avenues of media dissemination of an ever-growing library of video content.

Against the backdrop of this market, the Group has positioned itself for future growth through i) the turnaround of its US operation (acquisition completed in August 2015) and Israeli operation (acquisition completed in November 2014) both of which have just achieved their first year of profitability in over ten years; ii) the consolidation of its PRC manufacturing activities and the reduction of activities in contract manufacturing; and iii) enhancing its product pipeline. These have the potential to improve operational efficiency and Group-wide supply chain improvements while sharpening the Group's focus on its satellite ground equipment business.

The Group as a whole will continue to emphasise on R&D to strengthen its product offerings. New products launched in the second half of FY2017 included the Western Arc Hybrid LNB. For FY2018, new products to be launched include slimline products, new satellite antennas as well as low-cost Low Noise Blocks based on a new chip design. For the VSAT market, the Group continues to observe rising demand in developing countries and increasing availability, at a lower price point, proving satellites as a viable option over traditional avenues.

Despite OTT and service bundling, broadcasters will continue to offer new services and enter into new markets, leveraging on the latest innovations and technologies.

Global sporting events such as 2018 Football World Cup in Russia, 2019 Rugby World Cup and the 2020 Summer Olympics in Japan have garnered significant government and commercial attention and commitment to developing the infrastructure. The Japanese government is seeking to implement 8K in time for the 2020 Olympics. While 4K testing has already begun through the SKY Perfect JSAT satellite service, private and public architecture have accelerated the provision of the 7680 x 4320 (8K) resolution, 4 and 16 times as sharp as 4K and 1080p, respectively.

TV-makers Panasonic and Sony have partnered with broadcaster NHK and others to develop technology and TV sets capable of viewing the 8K video. On 31 January 2018, the Group incorporated an office in Japan which will utilise the sales and distribution services of our hub based in Malaysia that is looking to develop business opportunities in Asia and Australasia.

[1] https://www.sia.org/wp-content/uploads/2017/07/SIA-SSIR-2017.pdf

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 year ended 31 December 2017.

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.

FY2017	**Sat Comms US$'000**	**CM US$'000**	**Group US$'000**
Revenue	109,314	6,392	115,706
Operating profit	3,494	653	4,147
Finance income			30
Finance costs			(483)
Income tax expense			(745)
Profit for the year			**2,949**
Amortisation of intangible assets	628	-	628
Depreciation of property, plant and equipment	2,479	84	2,563
Addition to property, plant and equipment	1,816	107	1,923
Impairment of property, plant and equipment	-	86	86
Write-back for inventory obsolescence, net	(351)	-	(351)
Allowance for impairment of trade receivables, net	46	-	46
Assets and liabilities			
Segment assets	73,930	7,857	81,787
Unallocated assets			
- Non-current assets			9
- Other receivables			254
- Deferred tax assets			198
- Cash and cash equivalents			733
- Tax receivables			11
Total assets			**82,992**

FY2017	**Sat Comms US$'000**	**CM US$'000**	**Group US$'000**
Segment liabilities	16,641	1,711	18,352
Unallocated liabilities			
- Other payables			493
- Provision for income tax			163
- Deferred tax liabilities			489
- Borrowings			8,025
Total liabilities			**27,522**
FY2016			
Revenue	109,869	17,439	127,308
Operating profit/(loss)	1,318	(2,310)	(992)
Finance income			17
Finance costs			(572)
Income tax expense			(1,156)
Loss for the year			**(2,703)**
Amortisation of intangible assets	314	-	314
Depreciation of property, plant and equipment	2,297	181	2,478
Addition to property, plant and equipment	1,856	32	1,888
Impairment of property, plant and equipment	-	139	139
Allowance/(Write-back) for inventory obsolescence, net	794	(339)	455
Write-back of allowance for impairment of trade receivables, net	(20)	(335)	(355)
Write-off of trade receivables	28	335	363
Provision of litigation	241	-	241
Assets and liabilities			
Segment assets	74,671	7,120	81,791
Unallocated assets			
- Non-current assets			4
- Other receivables			201
- Deferred tax assets			355
- Cash and cash equivalents			251
- Tax receivables			1,002
Total assets			**83,604**
Segment liabilities	21,170	2,781	23,951
Unallocated liabilities			
- Other payables			196
- Provision for income tax			354
- Deferred tax liabilities			681
- Borrowings			6,108
Total liabilities			**31,290**

13(b) Geographical Information

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

FY2017	America US$'000	Europe US$'000	Asia US$'000	Rest of the World US$'000	Group US$'000
Revenue	81,066	23,687	6,569	4,384	115,706
Non-current assets	5,256	15,941	2,661	114	23,972

FY2016	America US$'000	Europe US$'000	Asia US$'000	Rest of the World US$'000	Group US$'000
Revenue	84,505	30,745	8,119	3,939	127,308
Non-current assets	5,500	12,949	6,854	109	25,412

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.

		FY2017 US$'000	FY2016 US$'000	% increase/ (decrease)
(a)	Sales reported for first half year	57,424	64,275	(10.7)
(b)	Operating profit/(loss) after income tax before deducting minority interests reported for first half year	1,478	(429)	N.M.
(c)	Sales reported for second half year	58,282	63,033	(7.5)
(d)	Operating profit/(loss) after income tax before deducting minority interests reported for second half year	1,471	(2,274)	N.M.

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

	FY2017 US$'000	FY2016 US$'000
Ordinary	-	-
Preference	-	-
Total Annual Dividend	**-**	**-**

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 2017.

18. Confirmation that the Company has procured undertaking from all its directors and executive officers pursuant to Rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

19. 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(13) 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.

BY ORDER OF THE BOARD
Anthony Brian Taylor
Executive Chairman

1 March 2018

The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.