Singapore- and U.K. AIM Market-listed Global Invacom Group Announces Q1 FY2016 Results

- ***Revenue up 13.8% to US$30.8M (Q1 FY2015: US$27.0M), including US$11.5M in three-month contributions from recently-acquired business Skyware Global***
- ***Net loss narrowed to S$0.7M from US$0.9M in Q1 FY2015***
- ***Group continues to experience effects of technology shift; completed R&D for next-generation products and is now well positioned for improved sales***

Singapore, 12 May 2016 – Global Invacom Group Limited ("Global Invacom" or **"the Group")**, a satellite communications ("Sat Comms") equipment provider listed on the Singapore Exchange and the U.K. AIM Market, announced today its results for the three months ended 31 March 2016 ("Q1 FY2016").

Revenue for Q1 FY2016 rose 13.8% to US$30.8 million, up from US$27.0 million a year ago ("Q1 FY2015"). This was due to the recognition of US$11.5 million in Q1 FY2016 contributions from subsidiary Satellite Acquisition Corporation (trading as "Skyware Global"), the purchase of which was completed on 24 August 2015. North Carolina-headquartered Skyware Global is a leading U.S. designer and manufacturer of antennae for Broadband, Satellite and Very Small Aperture Terminals (VSAT) covering C-band, Ku-band and Ka-band frequency platforms.

The impact of the technology changes during FY2015 continued to affect the Group's largest customer in the U.S., with revenues reduced by US$5.1 million in Q1 FY2016. The Group also saw a reduction of US$2.0 million in its Contract Manufacturing segment, as well as lower demand from its largest Malaysian customer compared to Q1 FY2015.

With the inclusion of Skyware Global, Q1 FY2016 revenue from America and the Rest of the World increased by US$5.0 million (+33.9%) and US$0.9 million (+172.2%), respectively; offset by declining revenue from Europe and Asia of US$1.4 million (-16.2%) and US$0.8 million (-26.8%), respectively.

Gross profit decreased marginally by US$0.2 million, or 2.9%, to US$5.7 million in Q1 FY2016 from US$5.9 million in Q1 FY2015; while gross profit margin fell to 18.5% in Q1 FY2016 from 21.6% in Q1 FY2015. Excluding Skyware Global, gross profit margin would have risen by 2.7% to 24.3% in Q1 FY2016. The margin for Skyware Global recognised one-off costs following the acquisition and change in management, as well as lower margins from an adverse product mix.

Administrative expenses decreased by US$0.7 million or 10.5% to US$6.3 million in Q1 FY2016 from US$7.0 million in Q1 FY2015, representing 20.4% and 25.9% of revenue, respectively, including three months of Skyware Global's manpower and expenses in Q1 FY2016. A restructuring and rationalisation exercise in 2015 at the Group's U.K. operations and its programme of streamlining internal efficiencies have translated into operational cost savings for the Group in Q1 FY2016.

The Group narrowed its net loss in Q1 FY2016 to US$0.7 million from $0.9 million in Q1 FY2015. Excluding the net loss for Skyware Global, which arose mainly from one-off post-acquisition costs and an adverse product mix, the Group would have posted a net

loss of US$0.1 million. Loss per share on a fully diluted basis was 0.24 U.S. cent in Q1 FY2016 while net asset value per share was 20.05 U.S. cents as at 31 March 2016.

The Group's overall performance for Q1 FY2016 continued to be restricted by the current technology shift in the satellite ground equipment industry which occurs every eight to ten years. The Group expects sales to improve through FY2016.

The Group has completed R&D work on next-generation Low Noise Block ("LNB") technology, which it expects to provide to a larger customer base by expanding its product range.

The Group is focused on increasing sales and marketing activities in all territories – including developing markets in South America, Malaysia and Indonesia – and is monitoring opportunities in India and Africa. The Group expects to recognise further contributions from the inclusion of Skyware Global in its FY2016 results. In particular, the Group aims to increase its range of VSAT offerings, where its customer base includes a major U.S. broadcaster that intends to launch two new satellites later in the year.

Mr Tony Taylor, Executive Chairman of Global Invacom, said, "Since the acquisition of Skyware Global, we have consolidated our supply chain footprint in the U.S. and strengthened both our management team and global sales network. We will continue to pursue global leadership in the research and production of Sat Comms equipment, and remain committed to providing premium satellite services to our clients."

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

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About Global Invacom Group Limited

Global Invacom Group Limited ("Global Invacom") is listed on the Singapore Exchange Securities Trading Limited Mainboard ("SGX-ST") and its shares are admitted to trading on the AIM Market of the London Stock Exchange in the U.K.

Global Invacom is a fully integrated satellite equipment provider with seven manufacturing plants across China, Israel, Malaysia, U.K. and the U.S. Its customers include satellite broadcasters such as BSkyB of the U.K. and Dish Network of the U.S.A.

On 24 August 2015, Global Invacom completed the acquisition of Skyware Global, a leading U.S.-based designer and supplier of satellite antenna products and services for C-band, Ku-band and Ka-band frequency platforms, positioning itself as the world's only full-service outdoor unit supplier.

Global Invacom provides a full range of dish antennas, LNB receivers, transmitters, switches and video distribution components and electronics manufacturing services in satellite communications, as well as manufacturing services in TV peripherals, computer peripherals, medical, and consumer electronics industries.

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