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completing the picture

GLOBAL INVACOM GROUP LIMITED
(Incorporated in Singapore)
(Company Registration Number 200202428H)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
For The Full Year Ended 31 December 2024

	Page
Table of Contents	
A. Condensed Interim Consolidated Statement of Comprehensive Income	2
B. Condensed Interim Statements of Financial Position	3
C. Condensed Interim Statements of Changes in Equity	4
D. Condensed Interim Consolidated Statement of Cash Flows	6
E. Notes to the Condensed Interim Consolidated Financial Statements	7
F. Other Information Required by Listing Rule Appendix 7.2	20

A. Condensed Interim Consolidated Statement of Comprehensive Income

	Group			Group		
	2H FY2024 US\$'000	2H FY2023 US\$'000	Increase/ (Decrease) %	FY2024 US\$'000	FY2023 US\$'000	Increase/ (Decrease) %
<u>Continuing operations</u>						
Revenue	18,872	23,227	(18.7)	34,676	39,808	(12.9)
Cost of sales	(12,012)	(14,373)	(16.4)	(21,017)	(24,313)	(13.6)
Gross profit	6,860	8,854	(22.5)	13,659	15,495	(11.8)
Other income	10	380	(97.4)	48	1,074	(95.5)
Distribution costs	(81)	(65)	24.6	(117)	(150)	(22.0)
Administrative expenses	(6,158)	(7,165)	(14.1)	(15,030)	(13,705)	9.7
Research and development expenses	(1,584)	(1,813)	(12.6)	(3,201)	(3,429)	(6.6)
Other operating expenses	(624)	-	N.M	(868)	(172)	404.7
Finance costs	(180)	(110)	63.6	(375)	(142)	164.1
(Loss)/Profit before income tax	(1,757)	81	2,069.1	(5,884)	(1,029)	471.8
Income tax credit	834	980	(14.9)	804	951	(15.5)
(Loss)/Profit for the period from continuing operations	(923)	1,061	(13.0)	(5,080)	(78)	6,412.8
Discontinued operations						
(Loss)/Profit for the period from discontinued operations	-	108	N.M	(3,296)	(889)	270.8
Total (loss)/profit for the period	(923)	1,169	(21.0)	(8,376)	(967)	766.2
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss						
- Exchange differences on translation of foreign subsidiaries	(199)	(640)	(68.9)	(94)	276	(66.1)
Other comprehensive (loss)/income for the period/year, net of tax	(199)	(640)	(68.9)	(94)	276	(66.1)
Total comprehensive (loss)/income for the period/year	(1,122)	529	(112.1)	(8,470)	(691)	1,127.5
<i>(Loss)/Profit for the period/year attributable to:</i>						
Equity holders of the Company	(921)	1,173	(21.5)	(8,374)	(963)	769.6
Non-controlling interests	(2)	(4)	(50.0)	(2)	(4)	(50.0)
Total comprehensive (loss)/income for the period/year attributable to:	(923)	1,169	(21.0)	(8,376)	(967)	766.2
Equity holders of the Company	(1,120)	533	110.1	(8,468)	(687)	1,134.4
Non-controlling interests	(2)	(4)	(50.0)	(2)	(4)	(50.0)
	(1,122)	529	(112.1)	(8,470)	(691)	1,127.5

N.M.: Not Meaningful

B. Condensed Interim Statements of Financial Position

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Non-current Assets				
Property, plant and equipment	4,096	5,651	3	5
Right-of-use assets	1,300	1,796	-	-
Investments in subsidiaries	-	-	10,013	17,909
Goodwill	893	893	-	-
Intangible assets	853	1,137	-	-
Deferred tax assets	1,224	625	-	-
Other receivables and prepayments	-	54	-	-
	<u>8,366</u>	<u>10,156</u>	<u>10,016</u>	<u>17,914</u>
Current Assets				
Due from subsidiaries	-	-	2,871	3,594
Inventories	12,873	19,882	-	-
Trade receivables	5,748	11,052	-	-
Other receivables and prepayments	1,830	1,700	14,600	14,948
Tax receivables	150	976	-	-
Cash and cash equivalents	5,125	10,795	179	253
	<u>25,726</u>	<u>44,405</u>	<u>17,650</u>	<u>18,795</u>
Total assets	<u>34,092</u>	<u>54,561</u>	<u>27,666</u>	<u>36,709</u>
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	(34,230)	(25,763)	(48,241)	(38,622)
Equity attributable to owners of the Company	24,537	33,004	24,343	33,962
Non-controlling interests	(30)	(28)	-	-
Total equity	<u>24,507</u>	<u>32,976</u>	<u>24,343</u>	<u>33,962</u>
Non-current Liabilities				
Other payables	157	162	-	-
Lease liabilities	1,022	399	-	-
Deferred tax liabilities	-	297	-	-
	<u>1,179</u>	<u>858</u>	<u>-</u>	<u>-</u>
Current Liabilities				
Due to subsidiaries	-	-	3,175	2,478
Trade payables	4,989	12,026	-	-
Other payables	2,865	3,979	148	269
Borrowings	220	3,232	-	-
Lease liabilities	332	1,490	-	-
	<u>8,406</u>	<u>20,727</u>	<u>3,323</u>	<u>2,747</u>
Total liabilities	<u>9,585</u>	<u>21,585</u>	<u>3,323</u>	<u>2,747</u>
Total equity and liabilities	<u>34,092</u>	<u>54,561</u>	<u>27,666</u>	<u>36,709</u>

C. Condensed Interim Statements of Changes in Equity

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	Accumulated Losses US\$'000	Attributable to equity holders of the Company US\$'000	Non-controlling interests US\$'000	Total US\$'000
Balance as at 1 January 2024	60,423	(1,656)	(10,150)	6	796	(7,822)	906	(9,499)	33,004	(28)	32,976
Share-based payments	-	-	-	-	(6)	-	-	-	(6)	-	(6)
Transfer to capital reserve in accordance with statutory requirements	-	-	-	-	-	7	-	-	7	-	7
Exchange differences on translating foreign operations	-	-	-	-	-	-	-	-	(94)	-	(94)
Loss for the period	-	-	-	-	-	-	(94)	(8,374)	(8,374)	(2)	(8,376)
Total other comprehensive loss for the period	-	-	-	-	-	-	(94)	(8,374)	(8,468)	(2)	(8,470)
Balance at 31 December 2024	60,423	(1,656)	(10,150)	6	790	(7,815)	812	(17,873)	24,537	(30)	24,507

	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	Accumulated losses US\$'000	Attributable to equity holders of the Company US\$'000	Non-controlling interests US\$'000	Total US\$'000
Balance as at 1 January 2023	60,423	(1,656)	(10,150)	6	761	(7,836)	581	(8,522)	33,607	(24)	33,583
Share-based payments	-	-	-	-	35	-	49	-	84	-	84
Transfer to capital reserve in accordance with statutory requirements	-	-	-	-	-	14	-	(14)	-	-	-
Loss for the period	-	-	-	-	-	-	-	(963)	(963)	(4)	(967)
Exchange differences on translating foreign operations	-	-	-	-	-	-	276	-	276	-	276
Total other comprehensive loss for the period	-	-	-	-	-	-	276	(977)	(687)	-	(691)
Balance as at 31 December 2023	60,423	(1,656)	(10,150)	6	796	(7,822)	906	(9,499)	33,004	(28)	32,976

C. Condensed Interim Statements of Changes in Equity (cont'd)

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 at 1 January 2024	74,240	(1,656)	797	(4,481)	(2,506)	(32,432)	33,962
Share-based payments	-	-	(4)	-	-	-	(4)
Loss for the period	-	-	-	-	-	(9,615)	(9,615)
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive loss for the period	-	-	-	-	-	(9,615)	(9,615)
Balance at 31 December 2024	74,240	(1,656)	793	(4,481)	(2,506)	(42,047)	24,343
Balance at 1 January 2023	74,240	(1,656)	713	(4,481)	(2,506)	(32,198)	34,112
Share-based payments	-	-	84	-	-	-	84
Loss for the period	-	-	-	-	-	(234)	(234)
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive loss for the period	-	-	-	-	-	(234)	(234)
Balance at 31 December 2023	74,240	(1,656)	797	(4,481)	(2,506)	(32,432)	33,962

D. Condensed Interim Consolidated Statement of Cash Flows

	Group		Group	
	2H FY2024 US\$'000	2H FY2023 US\$'000	FY2024 US\$'000	FY2023 US\$'000
Cash Flows from Operating Activities				
(Loss)/Profit before income tax	(923)	189	(9,180)	(1,918)
Adjustments for:				
Depreciation of property, plant and equipment	295	731	1,235	1,519
Amortisation of intangible assets	70	145	285	285
Depreciation of right-of-use assets	61	773	689	1,550
Impairment loss on property, plant and equipment	-	-	281	-
Allowance of impairment loss on non-current assets	628	-	1,390	-
Gain on disposal of property, plant and equipment	-	(4,138)	-	(4,138)
Allowance of inventory obsolescence, net	235	117	698	375
Impairment loss on trade receivables	113	-	53	-
Unrealised exchange (gain)/loss	(32)	(608)	(100)	298
Interest expense	79	32	1,157	206
Share-based payments	(31)	31	21	35
Bad debts written back	-	(145)	-	(147)
Operating cash flow before working capital changes	495	(2,873)	(3,471)	(1,935)
Changes in working capital:				
Inventories	632	2,895	1,907	2,612
Trade receivables	283	1,475	3,548	(892)
Other receivables and prepayments	(608)	736	234	(387)
Trade and other payables	(289)	988	(2,863)	2,610
Cash generated from/(used in) operating activities	513	3,221	(645)	2,008
Interest paid	2	(191)	(56)	(365)
Income tax paid	-	(2)	-	(10)
Net cash generated from/(used in) operating activities	515	3,028	(701)	1,633
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(205)	(519)	(1,287)	(724)
Proceeds from disposal of property, plant and equipment	-	4,420	-	4,420
Net cash (used in)/generated from investing activities	(205)	3,901	(1,287)	3,696
Cash Flows from Financing Activities				
Proceeds from borrowings	-	6,369	-	19,707
Repayment of borrowings	(3,000)	(7,337)	(3,000)	(21,963)
Additional/(Repayment) of lease liabilities	579	(690)	(680)	(1,527)
Net cash used in financing activities	(2,421)	(1,658)	(3,680)	(3,783)
Net (decrease)/increase in cash and cash equivalents	(2,111)	5,271	(5,668)	1,546
Cash and cash equivalents at the beginning of the period/year	7,231	5,502	10,795	9,244
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	5	22	(2)	5
Cash and cash equivalents at the end of the period/year	5,125	10,795	5,125	10,795

E. Notes to the Condensed Interim Consolidated Financial Statements

1. General Information

Global Invacom Group Limited (the "Company") is a public limited company incorporated and domiciled in Singapore and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2024 comprise the Company and its subsidiaries (the "Group"). The principal activity of the Company is that of an investment holding company.

The principal activities of the Group are design, manufacture and supply of a full range of satellite ground equipment, including antennas, LNB receivers, transceivers, fibre distribution equipment, transmitters, switches and video distribution components.

2. Basis of Preparation

The condensed interim financial statements for the six months and full year ended 31 December 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in United States dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

There has been no change in the accounting policies and methods of computation adopted by the Group for the current reporting period compared with the audited financial statements for the year ended 31 December 2023, except for the adoption of new or revised SFRS(I) and interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for the financial year beginning on or after 1 January 2024. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 9 – capitalised development costs
- Note 11 – impairment test on property, plant and equipment

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

2. Basis of Preparation (cont'd)

2.2 Use of judgements and estimates (cont'd)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 10 – impairment test of goodwill: key assumptions underlying recoverable amounts
- Note 11 – useful lives of property, plant and equipment
- Note 14 – allowance for inventory obsolescence
- Note 16 – allowance for impairment loss on receivables

3. Seasonal Operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the six months and full year ended 31 December 2024.

4. Segment and Revenue Information

The Group is organised into the following main business segments:

- Very Small Aperture Terminal ("VSAT"); and
- Non-VSAT

These operating segments are reported in a manner consistent with internal reporting provided to the executive directors who are responsible for allocating resources and assessing the performance of the operating segments.

As disclosed in Note 17, the Group had divested certain of its business that represent a separate major line of business or geographical area of operations of the Group ("Discontinued Operations"). Accordingly, segment information related to the Discontinued Operations has been presented separately.

4.1 Reportable segments

	VSAT US\$'000	Non-VSAT US\$'000	Group US\$'000
FY2024			
<u>Continuing operations</u>			
Revenue	19,901	14,775	34,676
Operating loss	(252)	(5,257)	(5,509)
Finance costs			(375)
Income tax expense			804
Loss for the year			(5,080)
Amortisation of intangible assets	266	19	285
Depreciation of property, plant and equipment	509	726	1,235
Depreciation of right-of-use assets	109	580	689
Purchase of property, plant and equipment	163	1,124	1,287
Allowance for Impairment loss on trade receivables	30	23	53
Allowance for inventory obsolescence, net	393	305	698
Staff cost	4,161	5,186	9,347
Gain on lease modification	-	(71)	(71)

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

4. Segment and Revenue Information (cont'd)

4.1 Reportable segments (cont'd)

	VSAT US\$'000	Non-VSAT US\$'000	Group US\$'000
FY2024			
<u>Discontinued operations</u>			
Revenue	7,996	877	8,873
Operating loss	(2,932)	(322)	(3,254)
Finance costs			(42)
Loss for the period			(3,296)
Depreciation of property, plant and equipment	101	11	112
Staff cost	1,058	105	1,163
Depreciation of right-of-use assets	363	40	403
Allowance of impairment loss on non-current assets	1,091	120	1,211
Assets and liabilities			
Segment assets	18,574	14,562	33,136
<u>Unallocated assets</u>			
- Non-current assets			3
- Other receivables			49
- Deferred tax assets			625
- Cash and cash equivalents			179
- Tax receivables			37
Total assets			34,029
Segment liabilities	4,866	4,056	8,922
<u>Unallocated liabilities</u>			
- Other payables			148
- Deferred tax liabilities			295
- Borrowings			220
Total liabilities			9,585
FY2023			
<u>Continuing operations</u>			
Revenue	11,826	27,982	39,808
Operating loss	(615)	(272)	(887)
Finance costs			(142)
Income tax credit			951
Loss for the year			(78)
Amortisation of intangible assets	238	47	285
Depreciation of property, plant and equipment	410	1,109	1,519
Staff cost	3,478	4,991	8,469
Depreciation of right-of-use assets	64	1,486	1,550
Addition to property, plant and equipment	158	566	724
Write-back of impairment loss on trade receivables	-	(147)	(147)
Allowance for inventory obsolescence	10	365	375

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

4. Segment and Revenue Information (cont'd)

4.1 Reportable segments (cont'd)

	VSAT US\$'000	Non-VSAT US\$'000	Group US\$'000
FY2023			
<u>Discontinued operations</u>			
Revenue	9,473	15,116	24,589
Operating loss	(201)	(335)	(536)
Finance costs			(353)
Loss for the year			(889)
Depreciation of property, plant and equipment	147	236	383
Staff cost	2,344	-	2,344
Depreciation of right-of-use assets	431	696	1,127
Allowance for inventory obsolescence, net	61	99	160
Assets and liabilities			
Segment assets	28,596	25,190	53,786
<u>Unallocated assets</u>			
- Non-current assets			7
- Other receivables			61
- Deferred tax assets			235
- Cash and cash equivalents			182
- Tax receivables			190
Total assets			54,461
Segment liabilities	9,053	7,969	17,022
<u>Unallocated liabilities</u>			
- Other payables			152
- Deferred tax liabilities			211
- Borrowings			4,200
Total liabilities			21,585

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

4. Segment and Revenue Information (cont'd)

4.2 Disaggregation of revenue

The Group's continuing operations revenue is disaggregated by principal geographical areas, major product lines and timing of revenue recognition.

	Group		Group	
	2H FY2024 US\$'000	2H FY2023 US\$'000	FY2024 US\$'000	FY2023 US\$'000
Principal geographical market				
<u>America</u>				
- Sale of goods	4,300	9,905	9,570	16,007
<u>Europe</u>				
- Sale of goods	9,376	9,565	17,762	17,657
<u>Asia</u>				
- Sale of goods	2,632	1,148	4,175	2,519
<u>Rest of the World</u>				
- Sale of goods	2,564	2,609	3,169	3,625
Total	18,872	23,227	34,676	39,808
Major product lines				
Sale of goods	18,872	23,227	34,676	39,808

The Group recognises revenue from sale of goods at a point in time, when the Group satisfies a performance obligation and the customers obtain control of the goods.

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

5. Financial Assets and Financial Liabilities

5.1 Significant items

	Group		Group	
	2H FY2024 US\$'000	2H FY2023 US\$'000	FY2024 US\$'000	FY2023 US\$'000
<u>Continuing operations</u>				
Interest expenses	(79)	(32)	(1,157)	(206)
Gain on lease modifications	-	-	71	-
(Allowance)/Write-back on trade receivables	(113)	-	(53)	147
Gain/(Loss) on foreign exchange	32	608	100	(298)
Impairment provision of property, plant and equipment	-	-	(281)	-
Allowance of inventory obsolescence	(235)	(117)	(698)	(375)
Depreciation of property, plant and equipment	(295)	(731)	(1,235)	(1,519)
Staff cost	(4,101)	(4,107)	(9,347)	(8,469)
Depreciation of right-of-use assets	(61)	(773)	(689)	(1,550)
Amortisation of intangible assets	(70)	(145)	(285)	(285)
Operating lease expense	-	(19)	-	(7)

5.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the condensed interim financial statements.

6. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings.

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

7. Loss Per Share

Earnings/(Loss) per ordinary share of the Group, after deducting any provision for preference dividends	Group		Group	
	2H FY2024 US\$	2H FY2023 US\$	FY2024 US\$	FY2023 US\$
<u>Continuing operations</u>				
(a) Based on weighted average number of ordinary shares on issue; and	(0.34 cents)	0.39 cents	(1.87 cents)	(0.02 cents)
(b) On a fully diluted basis	(0.34 cents)*	0.39 cents*	(1.87 cents)*	(0.02 cents)*
<u>Discontinued operations</u>				
(a) Based on weighted average number of ordinary shares on issue; and	-	0.04 cents	(1.21 cent)	(0.33 cents)
(b) On a fully diluted basis	-	0.04 cents	(1.21 cent)	(0.33 cents)
Weighted average number of ordinary shares used in computation of basic earnings per share	271,662,227	271,662,227	271,662,227	271,662,227
Weighted average number of ordinary shares used in computation of diluted earnings per share	271,662,227	271,662,227	271,662,227	271,662,227

* Diluted loss per share is the same as the basic loss 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 loss per share.

8. Net Asset Value

	Group		Company	
	31 Dec 2024 US\$	31 Dec 2023 US\$	31 Dec 2024 US\$	31 Dec 2023 US\$
Net asset value per ordinary share based on issued share capital	9.02 cents	12.15 cents	8.96 cents	12.50 cents
Total number of issued shares	271,662,227	271,662,227	271,662,227	271,662,227

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

9. Intangible Assets

	Trading name US\$'000	Intellectual property rights US\$'000	Capitalised development costs US\$'000	Total US\$'000
Group				
2024				
<u>Cost</u>				
Balance at 1 January and 31 December	16	2,674	4,834	7,524
<u>Amortisation and impairment</u>				
Balance at 1 January	16	1,537	4,834	6,387
Amortisation charge	-	285	-	285
Currency realignment	-	(1)	-	(1)
Balance at 31 December	16	1,821	4,834	6,671
<u>Net book value</u>				
Balance at 31 December	-	853	-	853
2023				
<u>Cost</u>				
Balance at 1 January and 31 December	16	2,674	4,834	7,524
<u>Amortisation and impairment</u>				
Balance at 1 January	16	1,257	4,834	6,107
Amortisation charge	-	285	-	285
Currency realignment	-	(5)	-	(5)
Balance at 31 December	16	1,537	4,834	6,387
<u>Net book value</u>				
Balance at 31 December	-	1,137	-	1,137

10. Goodwill

	Group	
	31 December 2024 US\$'000	31 December 2023 US\$'000
<u>Cost</u>		
Balance at the beginning and end of the period	9,352	9,352
<u>Allowance for impairment loss</u>		
Balance at the beginning and end of the period	8,459	8,459
Net carrying amount	893	893

10.1 Allocation of goodwill

Goodwill has been allocated to the Group's cash generating unit ("CGU") identified according to the business segment as follows:

	Group	
	31 December 2024 US\$'000	31 December 2023 US\$'000
VSAT		
- OnePath Networks Limited ("OPN") – Israel	893	893

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

11. Property, Plant and Equipment

	Freehold property US\$'000	Machinery & equipment US\$'000	Furniture, fittings & equipment US\$'000	Motor vehicles US\$'000	Renovations US\$'000	Total US\$'000
Group						
2024						
<u>Cost</u>						
Balance at 1 January	2,871	16,546	7,889	40	1,531	28,877
Currency realignment	-	16	1	-	-	17
Additions	9	104	114	-	130	357
Deconsolidation adjustment	(302)	(6,230)	(66)	(40)	(72)	(6,710)
Disposals	-	(1,411)	(6,360)	-	(894)	(8,665)
Balance at 31 December	2,578	9,025	1,578	-	695	13,876
<u>Accumulated depreciation</u>						
Balance at 1 January	1,007	13,218	7,545	40	1,416	23,226
Currency realignment	23	(72)	(5)	-	-	(54)
Depreciation charge	32	881	261	-	61	1,235
Deconsolidation adjustment	(175)	(5,962)	(66)	(40)	-	(6,243)
Disposals	-	(1,411)	(6,360)	-	(894)	(8,665)
Impairment provision	-	281	-	-	-	281
Balance at 31 December	887	6,935	1,375	-	583	9,780
<u>Net book value</u>						
Balance at 31 December	1,691	2,090	203	-	112	4,096
2023						
<u>Cost</u>						
Balance at 1 January	2,871	17,968	7,826	40	1,457	30,162
Currency realignment	-	45	1	-	157	203
Additions	-	580	116	-	28	724
Write-off	-	-	(54)	-	(80)	(134)
Disposals	-	(2,047)	-	-	(31)	(2,078)
Balance at 31 December	2,871	16,546	7,889	40	1,531	28,877
<u>Accumulated depreciation</u>						
Balance at 1 January	970	13,793	7,385	40	1,333	23,521
Currency realignment	7	7	2	-	100	116
Depreciation charge	30	1,214	212	-	63	1,519
Write-off	-	-	(54)	-	(80)	(134)
Disposals	-	(1,796)	-	-	-	(1,796)
Balance at 31 December	1,007	13,218	7,545	40	1,416	23,226
<u>Net book value</u>						
Balance at 31 December	1,864	3,328	344	-	115	5,651

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

11. Property, Plant and Equipment (cont'd)

	Furniture, fittings & equipment US\$'000	Renovations US\$'000	Total US\$'000
Company			
2024			
<u>Cost</u>			
Balance at 1 January	178	-	178
Write-off	(6)	-	(6)
Balance at 31 December	<u>172</u>	<u>-</u>	<u>172</u>
<u>Accumulated depreciation</u>			
Balance at 1 January	173	-	173
Depreciation charge	2	-	2
Write-off	(6)	-	(6)
Balance at 31 December	<u>169</u>	<u>-</u>	<u>169</u>
<u>Net book value</u>			
Balance at 31 December	<u>3</u>	<u>-</u>	<u>3</u>
2023			
<u>Cost</u>			
Balance at 1 January	211	80	291
Additions	6	-	6
Write-off	(39)	(80)	(119)
Balance at 31 December	<u>178</u>	<u>-</u>	<u>178</u>
<u>Accumulated depreciation</u>			
Balance at 1 January	211	80	291
Depreciation charge	1	-	1
Write-off	(39)	(80)	(119)
Balance at 31 December	<u>173</u>	<u>-</u>	<u>173</u>
<u>Net book value</u>			
Balance at 31 December	<u>5</u>	<u>-</u>	<u>5</u>

12. Investment in Subsidiaries

	Company	
	31 Dec 2024 US\$'000	31 Dec 2023 US\$'000
Unquoted equity shares, at cost	40,533	40,533
Accounting for employee share options	817	797
Currency realignment	131	131
Less: Allowance for impairment loss	(31,468)	(23,552)
	<u>10,013</u>	<u>17,909</u>
Movements in the allowance for impairment loss are as follows:		
At the beginning and end of the period	<u>31,468</u>	<u>23,552</u>

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

12. Investment in Subsidiaries (cont'd)

Allowance for impairment loss

(i) Global Invacom Manufacturing Pte Ltd (“GIMPL”)

As at 31 December 2024 and 31 December 2023, an allowance for impairment loss of US\$8,648,000 was made on the cost of investment in GIMPL, as the allocated CGU, to which the investment relates to, was incurring losses from operations due to the restructuring costs incurred. The recoverable amount was based on management’s estimate of the fair value less costs to sell, with reference to the fair value of the net assets of GIMPL, which is considered to be Level 3 in the fair value hierarchy.

(ii) Global Invacom Holdings Limited and its subsidiaries (“GIHL Group”)

As at 31 December 2024 and 31 December 2023, an allowance for impairment loss of US\$22,820,000 and US\$14,904,000 were made respectively on the cost of investment in GIHL Group, as the allocated CGU, to which the investment relates to, was incurring losses from operations. The recoverable amount was based on management’s estimate of the fair value less costs to sell, with reference to the fair value of the net assets of GIHL Group, which is considered to be Level 3 in the fair value hierarchy.

13. Borrowings

Aggregate amount of group’s borrowings and debt securities.

Amount repayable in one year or less, or on demand:

As at 31 Dec 2024		As at 31 Dec 2023	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
220	-	3,232	-

Amount repayable after one year:

As at 31 Dec 2024		As at 31 Dec 2023	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
-	-	-	-

The US\$3 million loan was repaid at the end of the three-year facility on 18 December 2024 using the Group’s own working capital. Management has agreed to a GBP£1.15 million short term overdraft facility provided by the current lender for a period ending on 18 March 2025. The Group has not drawn down the overdraft facility up to the date of this announcement.

14. Inventories

	Group	
	31 Dec 2024	31 Dec 2023
	US\$'000	US\$'000
Finished products	1,001	3,525
Work-in-progress	847	1,350
Raw materials	11,025	15,007
	<u>12,873</u>	<u>19,882</u>
Movements in the allowance for inventory obsolescence:		
Balance at the beginning of the year	1,566	1,192
Currency realignment	(1)	(1)
Allowance for inventory obsolescence, net	698	375
Balance at the end of the year	<u>2,263</u>	<u>1,566</u>

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

15. Share Capital

FY2024	Company	
	No. of shares	US\$'000
Balance as at 1 Jan 2024 and 31 December 2024	271,662,227	72,584
	<u>271,662,227</u>	<u>72,584</u>
FY2023	No. of shares	US\$'000
Balance as at 1 Jan 2023 and 31 December 2023	271,662,227	72,584
	<u>271,662,227</u>	<u>72,584</u>

There were 10,740,072 treasury shares held by the Company as at 31 December 2024 and 31 December 2023 and there was no subsidiary holdings.

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 2024	31 Dec 2023
Total number of issued shares excluding treasury shares	271,662,227	271,662,227

Total number of treasury shares as at the end of the current financial period reported on:

FY2024	No. of shares	US\$'000
Balance as at 1 Jan 2024 and 31 Dec 2024	10,740,072	1,656
	<u>10,740,072</u>	<u>1,656</u>

16. Trade receivables

	Group	
	31 Dec 2024 US\$'000	31 Dec 2023 US\$'000
Trade receivables	6,176	11,427
Less: Loss allowance	(428)	(375)
	<u>5,748</u>	<u>11,052</u>
Movements in the credit loss allowance for impairment of trade receivables:		
Balance at the beginning of the year	375	522
-Allowance/(write-back) for impairment of trade receivables	53	(147)
Balance at the end of the year	<u>428</u>	<u>375</u>

E. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

17. Discontinued operations

In June 2024, the Group made the decision to rationalise its manufacturing presence in North America. The Group's North American manufacturing activities were predominantly facilitated through its wholly-owned subsidiary, Satellite Acquisition Corporation ("SAC"). A significant structural reduction in demand for reflector products, in conjunction with the inflationary pressures and instability across global supply chains, meant that it was no longer economically feasible to continue with the operations of SAC.

The combined results of the Discontinued Operations included in the consolidated statement of comprehensive income for FY2024 and FY2023 are set out below.

	FY2024	FY2023
	US\$'000	US\$'000
<u>Discontinued operation</u>		
Revenue	8,873	24,589
Cost of sales	(9,334)	(24,226)
Gross profit	(461)	363
Other income	330	3,588
Distribution costs	(47)	(64)
Administrative expenses	(1,487)	(3,683)
Research and development expenses	(378)	(740)
Other operating expenses	(1,211)	-
Finance costs	(42)	(353)
Loss before income tax	(3,296)	(889)
Income tax expense	-	-
Loss for the period from discontinued operations	(3,296)	(889)
Attributable to:		
Equity holders of the Company	(3,296)	(889)
Non-controlling interests	-	-
	(3,296)	(889)
	FY2024	FY2023
	US\$'000	US\$'000
<u>Cash flows from discontinued operations</u>		
Cash flow (used in)/generated from operating activities	(3,666)	3,164
Cash flow generated from investing activities	330	460
Cash flow used in financing activities	(18)	-
Net cash (outflow)/inflow from discontinued operations	(3,354)	3,624

18. Subsequent Events

On 27 January 2025, as part of the intercompany loan restructuring, the previously impaired amount due from a subsidiary to the Company of US\$13.3 million was reversed and the amount was capitalized as equity in that subsidiary. There is no impact on the financial position of the Group being an intra-group transaction.

F. Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed interim consolidated statement of financial position of Global Invacom Group Limited and its subsidiaries as at 31 December 2024 and the related condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the six-month period and full year then ended and certain explanatory notes have not been audited or reviewed by the auditors.

2. Review of Performance of the Group

2.1 Review of Financial Performance

Continuing Operations

Revenue

The Group's revenue for the year ended 31 December 2024 ("FY2024") decreased by 12.9% to US\$34.7 million from US\$39.8 million in the prior year ("FY2023"). The revenue for the second half of the year ended 31 December 2024 ("2H FY2024") was US\$18.9 million against US\$23.2 million in prior year ("2H FY2023"), the decrease of 18.7% was due mainly to reductions in customer demand for reflector products.

Geographically, revenue for FY2024 from America and the Rest of the World ("RoW") decreased by US\$6.4 million (-40.2%) and US\$0.46 million (-12.6%) respectively and increased by US\$1.7 million (+65.7%) from Asia, while revenue in Europe remained approximately constant. Revenue for 2H FY2024 from America, Europe and RoW decreased by US\$5.6 million (-56.6%), US\$0.2 million (-2.0%) and US\$0.1 million (-1.7%), respectively, partly offset by an increase in Asia by US\$1.48 million (+129.2%) compared to the prior year.

Gross Profit

Gross profit decreased by 11.8% to US\$13.7 million in FY2024 from US\$15.5 million in FY2023. Similarly, gross profit decreased from US\$8.8 million in 2H FY2023 to US\$6.9 million in 2H FY2024. Gross profit margin remained relatively similar for FY2024 and FY2023.

Other Income

Other income in 2H FY2023 and FY2023 relates primarily to the gain on the sale of machinery relating to the semi molded compound manufacturing activities in the Group's former US subsidiary which did not repeat in 2H FY2024 and FY2024. This resulted in decrease of 97.4% and 95.5% for the aforesaid period respectively.

Administrative and Research and Development Expenses

Administrative expenses, together with research and development expenses, for FY2024 increased by 4.6% to US\$18.2 million compared to US\$17.4 million in FY2023. The increase was mainly due to the additional professional and restructuring fees incurred in 1H FY2024 aimed at streamlining the Group's operations. For 2H FY2024, administrative and research and development expenses decreased 13.8% to US\$7.8 million compared to US\$9.0 million in the previous year, representing 41.0% and 38.7% of revenue respectively due mainly to the disposal of Satellite Acquisition Corporation ("SAC").

Other Operating Expenses

The increase in the other operating expenses in FY2024 as compared to FY2023 mainly pertained to the impairment of receivables in relation to the receivership of SAC, write off of the recoverable value of assets held-for-sale and other foreign currency exchange differences. The other operating expenses in 2H FY2024 arose due mainly to the one-time loss of assets held for sale and liability held for sale of SAC.

F. Other Information Required by Listing Rule Appendix 7.2 (cont'd)

2. Review of Performance of the Group (cont'd)

2.1 Review of Financial Performance (cont'd)

Loss Before Tax & Net Loss

Overall, the Group recorded a net loss of US\$8.4 million in FY2024, compared to a net loss of US\$0.97 million in the prior year. For 2H FY2024, the Group recorded a net loss of US\$0.92 million compared to a net profit of US\$1.17 million in the prior year.

2.2 Review of Financial Position

Non-current assets decreased by US\$1.7 million from US\$10.1 million as at 31 December 2023 to US\$8.4 million as at 31 December 2024, mainly due to the depreciation and allowance for impairment of plant and equipment, the right-of-use assets and the amortization of intangible assets.

Net current assets decreased by US\$6.4 million to US\$17.3 million as at 31 December 2024 compared to US\$23.7 million as at 31 December 2023. Inventory, trade and other receivables, and trade and other payables decreased by US\$7.0 million, US\$5.2 million and US\$8.2 million, respectively, mainly due to deconsolidation of SAC.

Cash and cash equivalent decreased by US\$5.7 million to US\$5.1 million as at 31 December 2024 from US\$10.8 million as at 31 December 2023 mainly due to cash used in the operating activities and the repayment of loan from Lloyds bank.

Non-current liabilities increased by US\$0.3 million to US\$1.2 million as at 31 December 2024 compared to US\$0.9 million as at 31 December 2023 due mainly to higher lease liabilities of US\$1.0 million. This increase was due to the renewal lease established in September 2024 by one of the subsidiaries in the UK.

The Group's net asset value stood at US\$24.5 million as at 31 December 2024, compared to US\$32.9 million as at 31 December 2023.

2.3 Review of Cash Flows

In FY2024, net cash used in operating activities of the Group amounted to US\$0.7 million, mainly comprising US\$0.6 million cash outflow from operating activities (before working capital changes).

Net cash used in investing activities of the Group in FY2024 amounted to US\$1.3 million, mainly from the purchase of property, plant and equipment.

Net cash used in financing activities of the Group amounted to US\$3.7 million in FY2024, attributable to the net repayment of borrowings and lease liabilities.

Overall, the Group recorded a net decrease in cash and cash equivalents amounting to US\$5.7 million in FY2024, bringing cash and cash equivalents in the consolidated statement of cash flows to US\$5.1 million as at 31 December 2024.

3. 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.

F. Other Information Required by Listing Rule Appendix 7.2 (cont'd)

4. 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 satellite communications market is constantly evolving, driven by technological advancements, strategic partnerships and increased competition.

Over the past 12 months, there has been a significant increase in the deployment of LEO satellite constellations, driven largely by new market entrants, in a bid to address connectivity in underserved, rural communities. The increased competition in the market has resulted in several companies exploring strategic partnerships between traditional satellite operators to shore up their positions, albeit with varying degrees of success¹.

Additionally, there is an increasing number of hybrid network solutions being launched that integrate GEO, MEO and LEO capabilities to provide a more reliable and efficient service. Satellite TV continues to face significant disruption from the rapid growth of 'Over-the-top' services, with viewers shifting to internet-based streaming platforms.

Global Invacom is aware of the need to constantly develop new products to meet evolving customer requirements and demands amid changes in the market. The launch of the Group's inclined orbit tracker is an example of responding to customer demands to extend the lifecycle of its in-orbit satellites, but also in response to a key topic of discussion in the industry around the environmental impact of satellites.

The Group remains cautiously optimistic that, barring unforeseen circumstances, momentum in the sector is expected to strengthen in 2025, with the Group well positioned to succeed in the medium to long term when a buoyant market returns.

¹ <https://www.ft.com/content/a5cfd3b1-2013-40b9-adac-ea05688af050?utm>

F. Other Information Required by Listing Rule Appendix 7.2 (cont'd)

5. 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.

6. If no dividend has been declared/recommendeded, a statement to that effect and the reason(s) for the decision.

Due to the current operating conditions faced by the Group, no dividend has been declared or recommended for the year ended 31 December 2024.

7. 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 for the year ended 31 December 2024.

8. Outstanding audit issues

As part of the rationalisation of the group's operations, the US component of the group, its wholly owned subsidiaries, Satellite Acquisition Corporation and Raven Antenna Systems Inc, were placed into receivership on 10 July 2024. The loss of \$3.3 million from this component up to the date of effective disposal on 10 July 2024 is included as a loss from discontinued operations in the consolidated income statement on page 19.

The financial records of this discontinued component were under the control of the receivers during the period of the audit. While management were able to obtain and provide substantial information relating to the transactions included within discontinued operations, there were some key areas in which appropriate audit evidence could not be entirely obtained from the receivers.

As such it may not be possible for the group auditors to complete the appropriate audit procedures required to form a conclusion over the material accuracy of these discontinued operations. The Group is working closely with auditors to address the matter.

CONFIRMATION 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 twelve months ended 31 December 2024 to be false or misleading in any material aspect.

CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

Global Invacom Group Limited confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

On behalf of the Board

Wayne Robert Porritt
Independent Non-Executive Chairman

Gordon Blaikie
Executive Director

BY ORDER OF THE BOARD
Wayne Robert Porritt
Independent Non-Executive Chairman

27 February 2025