



GLOBAL INVACOM GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200202428H)

RESPONSE TO QUESTIONS RECEIVED FROM A SHAREHOLDER IN RELATION TO THE ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 ("FY2021")

The Board of Directors (the "**Board**") of GLOBAL INVACOM GROUP LIMITED ("**Global Invacom**", the "**Company**", together with its subsidiaries, the "**Group**") would like to provide the following information in response to questions raised by a Shareholder in relation to the Company's Annual General Meeting for FY2021:

Question 1:

Group revenue for FY2021 decreased in America by US\$22.8 million (-32.9%). That is very concerning and if one keeps track of space and satellite news, most of the activity seems to be coming from the US. What's the Group's assessment of this?

Company's Response:

Fundamentally, the United States ("US") remains a key growth market for the Company, however, the broader market has been impacted by the combination of COVID-19 restrictions and the well documented global supply chain issues globally. This has been a key feature of FY2021 and management believe that these factors will remain prevalent in the current financial year, alongside supply shortages within the semiconductor sector, and ongoing inflationary pressure across international shipping, wages (particularly in the US) and raw materials (including steel).

Generally speaking, the long-term outlook for the global satellite market remains positive.

Question 2:

Geographically, where are the expected revenue growth areas for FY2022? Is the demand from America expected to return?

Company's Response:

The US remains a key growth market for the Company alongside Europe.

Question 3:

Has the Group stopped providing contract manufacturing services?

Company's Response:

The Group has stopped providing contract manufacturing services when its subsidiaries in China, Global Invacom Manufacturing (Shanghai) Co Ltd, ceased operations in 2019 and all orders were fulfilled in 2020.

Question 4:

How concerning is the reshoring of manufacturing (i.e. manufacturing returning to US or Europe) that would affect the Group's business?

Company's Response:

The Company has a manufacturing facility in Smithfield, North Carolina, which has been manufacturing high quality communications products for over 60 years. The company has two manufacturing facilities in the UK and one in Israel and an established global sales and support team.

Each of these facilities is focused on meeting specific customer and product demand.

Question 5:

Note 20, the loss allowance increased from 18% to 29.5% for receivables over 60 days. Is this an anomaly or can be described to be within the Group's historical experience?

Company's Response:

The increase is in line with the Group's 3 years historical average.

Question 6:

Without disclosing the identity, did the Group lose its largest customer that had 32.8% share of revenue in 2020?

Company's Response:

We did not lose a large customer in FY2020. The loss in revenue is a direct result of the impact of the COVID-19 pandemic on the global economy. This was a global phenomenon and is not localised to Global Invacom.

BY ORDER OF THE BOARD

Anthony Brian Taylor
Executive Chairman

23 April 2022