



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

MUTUAL TERMINATION OF PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF TACTILIS SDN. BHD.

CESSATION OF PROPOSED SUBSCRIPTION OF CONVERTIBLE NOTES WITH 5.0% COUPON RATE TO BE ISSUED BY TACTILIS SDN. BHD.

LAPSE OF PROPOSED ISSUANCE OF UNSECURED REDEEMABLE STRUCTURED CONVERTIBLE NOTES WITH 1.0% COUPON RATE

1. INTRODUCTION

The board of directors ("**Board**" and each director, a "**Director**") of Global Invacom Group Limited ("**Company**", together with its subsidiaries, the "**Group**") refer to the announcements by the Company dated 24 October 2018 and 31 October 2018 in relation to the Proposed Acquisition, Proposed Target Convertible Notes Subscription and Proposed RCN Issuance (collectively, the "**Announcements**").

All capitalised terms used in this announcement shall, unless otherwise defined herein, have the meanings ascribed to them in the Announcements.

2. MUTUAL TERMINATION OF THE SPA

- 2.1 Further to the Announcements, the Board wishes to announce that the Company and the Vendor (collectively, the "**Parties**") have decided to mutually terminate the Proposed Acquisition, as there were difficulties in fulfilling all of the Conditions Precedent in the SPA.
- 2.2 Accordingly, the Parties have agreed to terminate the SPA by entering into a tripartite Termination Agreement dated 18 April 2019 (the "**Termination Agreement**"), pursuant to which, the Company's and the Vendor's respective obligations and liabilities under the SPA shall cease in accordance with the terms and conditions thereunder.

Pursuant to the Termination Agreement, *inter alia*:

- (a) the SPA shall be mutually terminated with immediate effect;
- (b) all fees, costs and expenses incurred in relation to the Proposed Acquisition shall be borne by the Company and the Vendor in equal proportions, and the portion to be borne by the Vendor in respect thereof which had been advanced by the Company on behalf of the Vendor shall be fully reimbursed by the Vendor on or before **16 July 2019 ("Due Date")**, being the last day of the period of ninety (90) days commencing from (and including) the date of the Termination Agreement ("**90 Days Period**"); and
- (c) both the Company and the Vendor hereby mutually waive the Break Fee of US\$20,000,000 under the SPA.

3. CESSATION OF THE PROPOSED TARGET CONVERTIBLE NOTES SUBSCRIPTION

3.1 The salient terms of the Termination Agreement include the following:

- (a) all fees, costs and expenses incurred in relation to the Proposed Target Convertible Notes Subscription shall be fully borne by the Target, and the amount of such fees, costs and expenses to be borne by the Target which had been advanced by the Company on behalf of the Target shall be fully reimbursed by the Target on or before the Due Date;
- (b) the Company has waived the obligation of the Target to redeem all outstanding Target Convertible Notes within three (3) months from the termination of the Proposed Acquisition at 100% of their principal amount, together with the payment of all Interest computed thereon, Provided That the issued Target Convertible Notes shall continue to be valid and effective in accordance with the terms and conditions of the Target Convertible Notes Subscription Agreement, which shall continue to subsist;
- (c) the Company's obligations to subscribe for further Target Convertible Notes shall cease and waived (where applicable) from the date of the Termination Agreement, notwithstanding any terms and conditions in the Target Convertible Notes Subscription Agreement;
- (d) in consideration of such waiver by the Company under paragraph 3(b) above, the Target shall repay to the Company all Interest on the Target Convertible Notes accrued up to (and including) the date of the Termination Agreement ("**Accrued Interest**"), and all Interest on the Target Convertible Notes to be accrued from the day falling after the date of this Agreement and up to (and including) 16 July 2019 ("**Due Date**") at an adjusted interest rate of 10% per annum commencing from the date of the Termination Agreement ("**Accrued Adjusted Interest**"), on or before the Due Date;
- (e) all Interest shall continue to accrue on the outstanding Target Convertible Notes commencing from (and including) the date of the Termination Agreement in accordance with the terms and conditions of the Target Convertible Notes Subscription Agreement at the adjusted rate of 10% per annum;
- (f) in the event:
 - (i) any petition for liquidation is presented against the Target or the Vendor, under any applicable bankruptcy, reorganisation or insolvency law, at any time after the date of this Agreement; or
 - (ii) the Vendor and/or the Target shall breach any of its/their undertaking and covenant set out in the Termination Agreement, the Target Convertible Notes Subscription Agreement or the Share Charge,

all outstanding Target Convertible Notes shall be immediately redeemable by the Target at 100% of their principal amount, and all Interest at 10% per annum accrued thereon on a retrospective since the date of the issuance of the respective Target Convertible Notes shall be immediately paid by the Target to the Company; and

- (g) the Target Convertible Notes Subscription Agreement shall subsist until all outstanding Target Convertible Notes have been fully redeemed by the Target, and all accrued Interest have been paid by the Target to the Company, in accordance with the Target Convertible Notes Subscription Agreement (subject to the terms of the Termination Agreement), upon the occurrence of which the Target Convertible Notes Subscription Agreement shall cease.

3.2 The Company reserves its right to enforce the Share Charge against the Vendor to secure the Target's performance of its obligations under the Target Convertible Notes Subscription Agreement (as supplemented or amended by the Termination Agreement).

4. FURTHER AGREEMENT

4.1 Under the Termination Agreement, it was also agreed that for a period of three (3) months commencing from (and including) the date of Termination Agreement ("**90 Days Period**"), the Company will not do any of the following:

- (a) declare an event of default under the Target Convertible Notes Subscription Agreement on grounds of insolvency of the Target; or
- (b) take any legal action or proceeding to wind up or commence bankruptcy action against the Target,

provided that the Target and the Vendor shall submit a plan concerning the Target Convertible Notes and Tactilis group to the satisfaction of the Company ("**Relevant Planning**") before the expiry of one (1) month from the date of the Termination Agreement, and to agree upon in writing the Relevant Plan on such terms and conditions as agreed by all relevant stakeholders, including the Company, before the expiry of the 90 Days Period.

4.2 Notwithstanding Paragraph 4.1, in the event any petition for liquidation is presented against the Target or the Vendor, under any applicable bankruptcy, reorganisation or insolvency law, at any time during the 90 Days Period, the Company's obligations under Paragraph 4.1 above shall cease with immediate effect and the Company shall forthwith be entitled to enforce all its rights and remedies under the Termination Agreement, the Target Convertible Notes Subscription Agreement or the Share Charge, without subject to any further notice or formality, despite any terms under such agreements.

5. LAPSE OF THE RCN SUBSCRIPTION AGREEMENT

5.1 The RCN Subscription Agreement had lapsed on 22 January 2019, due to non-fulfilment of the conditions precedent to the closing of the first sub-tranche of the Tranche 1 RCN Notes.

5.2 Pursuant to the Termination Agreement, all fees, costs and expenses incurred in relation to or in connection with the Proposed RCN Issuance shall be fully borne by the Company and the Target in equal proportions, and the portion to be borne by the Target in respect thereof which had been advanced by the Company on behalf of the Target shall be fully reimbursed by the Target on or before the Due Date.

6. FINANCIAL IMPACT

The mutual termination of the SPA, the cessation of the Target Convertible Notes Subscription Agreement and the lapse of the RCN Subscription Agreement is not expected to have any material adverse impact on the consolidated net tangible assets per share and earnings per share of the Company and the Group for the financial year ending 31 December 2019.

7. DIRECTORS' AND SHAREHOLDERS INTERESTS

Save as disclosed in the Announcements, none of the Directors has any interest, direct or indirect, in the termination of the Proposed Acquisition, the cessation of the Target Convertible Notes Subscription Agreement and the lapse of the RCN Subscription Agreement and as far as the Directors are aware, none of the substantial shareholders of the Company has any interest, direct or indirect, in the termination of any of these transactions (other than through their respective shareholdings in the Company).

8. DOCUMENTS FOR INSPECTION

A copy of the Termination Agreement will be made available for inspection during normal business hours at the registered office of the Company at 8 Temasek Boulevard, #18-02A Suntec Tower Three, Singapore 038988 for a period of three (3) months from the date of this Announcement.

9. CAUTION IN TRADING

Shareholders are advised to read this Announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

BY ORDER OF THE BOARD

**ANTHONY BRIAN TAYLOR
EXECUTIVE CHAIRMAN**

21 April 2019

For further information, please contact:

Global Invacom Group Limited
Matthew Garner, Chief Financial Officer

www.globalinvacom.com
Tel: +65 6431 0782
Tel: +44 203 053 3523

finnCap Ltd (Nominated Adviser and Joint Broker)
Christopher Raggett / Matthew Radley (Corporate Finance)

www.finncap.com
Tel: +44 207 220 0500

Mirabaud Securities LLP (Joint Broker)
Peter Krens (Equity Capital Markets)

www.mirabaud.com
Tel: +44 207 878 3362

WeR1 Consultants Pte Ltd (Singapore Investor Relations)
Jordan Teo / Ryan del Agua
ginv@wer1.net

www.wer1.net
Tel: +65 6737 4844

Vigo Communications (UK Media & Investor Relations)
Jeremy Garcia / Fiona Henson / Charlie Neish
ginv@vigocomms.com

www.vigocomms.com
Tel: +44 207 390 0238

About Global Invacom Group Limited

Global Invacom is a fully integrated satellite communications 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