

**APPENDIX TO NOTICE OF ANNUAL GENERAL MEETING 2020 DATED 3 June 2020**

This Appendix is circulated to Shareholders of Global Invacom Group Limited (the “**Company**”) together with the Company’s Notice of Annual General Meeting. Its purpose is to provide Shareholders with the relevant information relating to, and to seek Shareholders’ approval for the proposed renewal of the Share Buyback Mandate, to be tabled at the Annual General Meeting of the Company to be held by way of electronic means on Thursday, 25 June 2020 at 2.00 p.m.

If you are in any doubts as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of the Company, you should immediately forward this Appendix together with the Notice of the Annual General Meeting and the accompanying Proxy Form to the purchaser or the transferee or to the stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited takes no responsibility for the correctness of any of the statements made, reports contained/referred to, or opinions expressed in this Appendix.



**GLOBAL INVACOM GROUP LIMITED**

(Company Registration Number: 200202428H)  
(Incorporated in the Republic of Singapore)

**APPENDIX TO NOTICE OF ANNUAL GENERAL MEETING**

**in relation to:**

**THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE**

## DEFINITIONS

In this Appendix, the following definitions apply throughout unless otherwise stated:

<i>AGM</i>	The annual general meeting of the Company
<i>Approval Date</i>	The date on which the Share Buyback Mandate is approved by the Shareholders at the AGM
<i>CDP</i>	The Central Depository (Pte) Limited
<i>Constitution</i>	The Constitution of the Company
<i>Companies Act</i>	The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
<i>Controlling shareholder</i>	A person who:  (a) holds directly or indirectly 15% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or  (b) in fact exercises control over the Company
<i>Director(s)</i>	The director(s) of the Company as at the date of issue of this Appendix together with the Notice of AGM
<i>Group</i>	The Company and its subsidiaries and associated companies
<i>Latest Practicable Date</i>	29 May 2020, being the latest practicable date prior to the date of this Appendix
<i>Listing Manual</i>	The listing manual of the SGX-ST, as may be amended, modified or supplemented from time to time
<i>LPS</i>	Loss per Share
<i>Market Day</i>	A day on which the SGX-ST is open for trading in securities
<i>Market Acquisitions</i>	Has the meaning ascribed to it in Section 2.3.3 of this Appendix
<i>Maximum Price</i>	Has the meaning ascribed to it in Section 2.3.4 of this Appendix
<i>Notice of AGM</i>	The notice of the AGM of the Company to be held by electronic means on Thursday, 25 June 2020 at 2.00 p.m.
<i>NTA</i>	Net tangible assets
<i>Off-Market Acquisitions</i>	Has the meaning ascribed to it in Section 2.3.3 of this Appendix
<i>Proxy Form</i>	The proxy form sent with the Notice of AGM
<i>Relevant Period</i>	The period commencing from the date when the last AGM was held or was required by law to be held before the resolution relating to the Share Buyback Mandate is passed, and expiring on the date when the next AGM is or required by law to be held, whichever is the earlier after the said resolution is passed
<i>Share Buyback Mandate</i>	The proposed general mandate given by Shareholders to authorise the directors to purchase or otherwise acquire its Shares, the terms of which are set out in Section 2 of this Appendix

<i>S\$ and cents</i>	Singapore dollars and cents respectively, being the lawful currency of Singapore
<i>SGX-ST</i>	Singapore Exchange Securities Trading Limited
<i>Share Buyback</i>	The purchase of Shares by the Company pursuant to the terms of the Share Buyback Mandate
<i>Share(s)</i>	Ordinary share(s) in the capital of the Company
<i>Shareholder(s)</i>	Registered holders of Shares in the register of members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the depositors whose securities accounts maintained with CDP are credited with Shares
<i>Take-over Code</i>	The Singapore Code on Take-overs and Mergers, as modified and amended from time to time, and all practice notes, rules and guidelines thereafter, as may be issued or amended from time to time
<i>US\$ and US cents</i>	United States dollars and cents respectively, being the lawful currency of the United States of America



## GLOBAL INVACOM GROUP LIMITED

(Company Registration Number: 200202428H)  
(Incorporated in the Republic of Singapore)

### Directors

Anthony Brian Taylor (Executive Chairman)  
Malcolm John Burrell (Executive Director)  
Matthew Jonathan Garner (Executive Director)  
John Lim Yew Kong (Lead Independent Director)  
Basil Chan (Independent Director)  
Cosimo Borrelli (Independent Director)  
Kenny Sim Mong Keang (Non-Executive Director)

### Registered Office:

8 Temasek Boulevard  
#18-02A Suntec Tower Three  
Singapore 038988

3 June 2020

To: The Shareholders

Dear Sir/Madam,

### APPENDIX RELATING TO THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

#### 1. INTRODUCTION

The purpose of this Appendix is to provide Shareholders with the relevant information, and to seek Shareholders' approval at the AGM of the Company in relation to the renewal of the Share Buyback Mandate for the purchase or acquisition by the Company of its issued Shares.

#### 2. PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

##### 2.1 INTRODUCTION

Shareholders' approval is being sought at the AGM for the proposed renewal of the Share Buyback Mandate for the purchase or acquisition by the Company of its issued Shares. If approved, the Share Buyback Mandate will take effect from the Approval Date and continue in force until the date of the next AGM or such date as the next AGM is required by law to be held, unless prior thereto, Share Buybacks are carried out to the full extent mandated or the Share Buyback Mandate is revoked or varied by the Company in a general meeting. The Share Buyback Mandate will be put to Shareholders for renewal at each subsequent AGM of the Company.

Any purchase of Shares by the Company will have to be made in accordance with, and in the manner prescribed by, the Companies Act, the Constitution, the rules of the Listing Manual, and such other laws and regulations as may for the time being be applicable.

##### 2.2 RATIONALE AND BENEFITS

The rationale for the Share Buyback Mandate is as follows:

- (a) The Directors and management constantly seek to increase Shareholders' value and to improve, *inter alia*, the return on equity of the Group. A Share Buyback at the appropriate price level is one of the ways through which the return on equity of the Group may be enhanced.

- (b) The Share Buyback Mandate provides the Company with an expedient and cost-effective mechanism to facilitate the return of surplus cash/funds over and above its ordinary capital requirements, which are in excess of the financial and possible investment needs of the Group, to its Shareholders.
- (c) The Share Buyback Mandate allows the Directors to optimise the share capital structure of the Group as well as provide flexibility (i) to purchase Shares; and (ii) over its dividend policy.
- (d) Short-term speculation may at times cause the market price of the Shares to be depressed below the true value of the Company and the Group. The Share Buyback Mandate provides the Directors with the means to restore investors' confidence and to protect existing Shareholders' investments in the Company in a depressed share-price situation through judicious Share Buybacks to enhance the EPS and/or the NAV per Share. The Share Buybacks enhance the NAV per Share if the share buybacks are made at a price below the NAV per Share.
- (e) In addition, Shares purchased or acquired pursuant to the Share Buyback Mandate and which are held as treasury shares may be utilised by the Company to satisfy options or awards granted under any employee share scheme, thus giving the Company greater flexibility to select the most beneficial method of providing Shares to employees.

If and when circumstances permit, the Directors will decide whether (a) to effect the Share Buybacks via market purchases or off-market purchases; (b) to make the Share purchases using the capital and/or the profits of the Company; and (c) the Shares purchased should be held as treasury shares or cancelled, after taking into account the amount of surplus cash (if any) available, the prevailing market conditions and the most cost-effective and efficient approach.

The Directors only propose to carry out purchases or acquisitions of Shares pursuant to the Share Buyback Mandate as and when they consider it to be in the best interests of the Company and/or Shareholders and in circumstances which they believe will not result in a material adverse effect on the liquidity and/or the orderly trading of the Shares and/or financial position of the Group, or result in the Company being de-listed from the SGX-ST.

## **2.3 TERMS**

The authority and limitations placed on purchases of Shares by the Company under the Share Buyback Mandate are summarised below:

### **2.3.1 Maximum Number of Shares**

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

The total number of Shares that may be purchased or acquired by the Company is limited to that number of Shares representing not more than 10% of the total number of Shares of the Company as at the Approval Date (unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of Shares shall be taken to be the total number of Shares as altered (excluding any treasury shares that may be held by the Company from time to time)). For purposes of calculating the percentage of issued Shares above, any of the Shares which are held as treasury shares will be disregarded.

**For illustrative purposes only**, based on the existing issued and paid-up capital of the Company as at the Latest Practicable Date of S\$98,041,956 comprising 271,662,227 Shares, and assuming that no further Shares are issued on or prior to the AGM, not more than 27,166,222 Shares (representing approximately 10% of the issued ordinary share capital of the Company as at that date) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate.

### 2.3.2 Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the Approval Date, up to the earlier of:

- (i) the date on which the next AGM is held or required by law to be held;
- (ii) the date on which the Share Buybacks are carried out to the full extent mandated; or
- (iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked.

### 2.3.3 Manner of Purchase of Shares

Purchases of Shares may be made by way of, *inter alia*:

- (i) on-market purchases (“**Market Acquisitions**”), transacted on the SGX-ST or, as the case may be, any other securities exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (ii) off-market purchases (“**Off-Market Acquisitions**”) (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the following conditions prescribed in Section 76C of the Companies Act:
  - (a) offers for the purchase or acquisition of issued shares shall be made to every person who holds issued shares to purchase or acquire the same percentage of their issued Shares;
  - (b) all of those persons shall be given a reasonable opportunity to accept the offers made; and
  - (c) the terms of all the offers are the same, except that there shall be disregarded:
    - (aa) differences in consideration attributable to the fact that offers may relate to shares with different accrued dividend entitlements;
    - (bb) (if applicable) differences in consideration attributable to the fact that offers relate to shares with different amounts remaining unpaid; and
    - (cc) differences in the offers introduced solely to ensure that each person is left with a whole number of shares.

In addition, the Listing Manual provides that, in making an Off-Market Acquisition, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed Share Buyback;
- (d) the consequences, if any, of Share Buybacks by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the Share Buyback, if made, would have any effect on the listing of the Shares on the SGX-ST; and
- (f) details of any Share Buyback made by the Company in the previous 12 months (whether Market Acquisitions or Off-Market Acquisitions), giving the

total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and

- (g) Whether the Shares purchased or acquired by the Company will be cancelled or kept as treasury shares.

#### **2.3.4 Maximum Purchase Price**

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax, clearance fees and other related expenses) to be paid for the Shares will be determined by the Directors. However, the purchase price to be paid for a Share as determined by the Directors must not exceed:

- (i) in the case of a Market Acquisition, 105% of the Average Closing Price (as defined hereinafter); and
- (ii) in the case of an Off-Market Acquisition pursuant to an equal access scheme, 120% of the Average Closing Price

(the “**Maximum Price**”) in either case, excluding related expenses of the purchase.

For the above purposes,

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five Market Days on which transactions in the Shares were recorded on the SGX-ST immediately preceding the date of the Market Acquisitions by the Company or, as the case may be, the date of the making of the offer (as defined hereinafter) pursuant to the Off-Market Acquisitions, and deemed to be adjusted for any corporate action that occurs during the relevant five Market Days period and the day on which the purchases are made;

“**date of the making of the offer**” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Acquisitions.

## **2.4 STATUS OF PURCHASED SHARES**

### **2.4.1 Cancellation of Shares**

Any Share which is purchased or acquired by the Company shall, unless held as treasury shares to the extent permitted under the Companies Act (as set out below), be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to that Share will expire on cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

All Shares purchased or acquired by the Company (other than treasury shares held by the Company to the extent permitted under the Companies Act) will be automatically delisted by the SGX-ST, and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

### **2.4.2 Treasury Shares**

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

(a) Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

(b) Voting and Other Rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(c) Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time:

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares; or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister of Finance of Singapore.

The Company will make immediate announcement of any sale, transfer, cancellation and/or usage of treasury shares in accordance with Rule 704(28) of the Listing Manual.

## **2.5 SOURCES OF FUNDS**

In financing the Share Buyback, the Company may only apply funds legally available in accordance with its Constitution and the applicable laws in Singapore.

The Company may not purchase or acquire its Shares on the SGX-ST for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the SGX-ST.

The Share Buyback by the Company shall be made out of the Company's capital and/or distributable profits that are available for payment as dividends so long as the Company is solvent.

For the purposes of the Companies Act, the Company is solvent if it is able to pay its debts in full at the time of the payment for the Share Buyback and will be able to pay its debts as they fall due in the normal course of business during the period of 12 months immediately following the date of the payment. In addition, the value of the Company's assets must not be less than the value of its liabilities (including contingent liabilities) and will not after the Share Buyback, become less than the value of its liabilities (including contingent liabilities).

In determining that the Company is solvent, the Directors must have regard to the most recently audited financial statements and all other relevant circumstances, and may rely on valuations or estimates of assets or liabilities that are reasonable in the circumstances. In determining the value of contingent liabilities, the Directors may take into account the



likelihood of the contingency occurring, as well as any claims that the Company is entitled to make and can reasonably expect to be met to reduce or extinguish the contingent liability.

The Company may use internal source of funds and/or external borrowings to finance purchases or acquisitions of its Shares pursuant to the Share Buyback Mandate.

The Directors do not propose to exercise the Share Buyback Mandate in a manner and to such extent that the liquidity and capital adequacy position of the Group would be materially adversely affected.

## **2.6 FINANCIAL EFFECTS**

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares (excluding brokerage, commission, stamp duties, applicable goods and services tax, clearance fees and other related expenses) that may be made pursuant to the Share Buyback Mandate as the financial effects on the Company and the Group will depend on factors such as, *inter alia*, the aggregate number of Shares purchased or acquired, the purchase prices at the relevant time of purchase or acquisition, the amount (if any) borrowed by the Company to fund the Share Buyback, whether the purchase or acquisition is made out of profits or capital, and whether the Shares purchased or acquired are held in treasury or immediately cancelled on purchase or acquisition.

Where the purchased or acquired Shares are cancelled, the issued share capital of the Company will be reduced by the corresponding total purchase price of the Shares purchased or acquired by the Company. If, on the other hand, the purchased or acquired Shares are not cancelled but held in treasury, then there will be no change in the Company's issued capital.

Where the purchase of Shares is financed through internal resources, it will reduce the cash reserves of the Group and of the Company, and thus the current assets and shareholders' funds of the Group and the Company. This will result in an increase in the gearing ratios of the Group and the Company and a decline in the current ratios of the Group and the Company. The actual impact on the gearing and current ratios will depend on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

Where the purchase or acquisition of Shares is financed through borrowings, there would be an increase in the gearing ratios of the Group and the Company and a decline in the current ratios of the Group and the Company, with the actual impact dependent on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

### **2.6.1 Purchase or Acquisition Out of Capital and/or Profits**

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital and/or profits so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, commission, stamp duties, applicable goods and services tax, clearance fees and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

In any case, no purchase or acquisition of Shares, whether out of capital and/or profits, will be made in circumstances which would have or may have a material adverse effect on the liquidity, working capital requirements and gearing of the Company or the liquidity and capital adequacy position of the Group as a whole.

### **2.6.2 Number of Shares Acquired or Purchased**

Based on 271,662,227 issued Shares as at the Latest Practicable Date and on the assumptions set out in Section 2.3.1, the purchase by the Company of up to the maximum limit of 10% of its issued Shares will result in the purchase or acquisition of 27,166,222 Shares.

### 2.6.3 Based on Maximum Price Paid for Shares Acquired or Purchased

Assuming that the Company purchases or acquires 27,166,222 Shares (representing the maximum limit of 10% of its issued Shares) at the Maximum Price, the maximum amount of funds required is approximately:

- (a) in the case of Market Acquisitions of Shares, S\$2,363,461 based on S\$0.087 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares traded on the SGX-ST for the 5 consecutive Market Days immediately preceding the Latest Practicable Date); and
- (b) in the case of Off-Market Acquisitions of Shares, S\$2,716,622 based on S\$0.100 for one Share (being the price equivalent to 20% above the Average Closing Price of the Shares traded on the SGX-ST for the 5 consecutive Market Days immediately preceding the Latest Practicable Date).

The Average Closing Price of the Shares traded on the SGX-ST for the 5 consecutive Market Days immediately preceding the Latest Practicable Date was S\$0.083.

**For illustrative purposes only**, on the basis of the assumptions set out above as well as the following:

- (a) the Share Buyback Mandate had been effective on 1 January 2019;
- (b) there was no issuance of Shares, whether pursuant to the exercise of share options and/or vesting of awards or otherwise, after the Latest Practicable Date;
- (c) there was no usage and/or cancellation of treasury shares after the Latest Practicable Date; and
- (d) such Share purchases are funded solely by internal resources and/or external borrowings,

the financial effects on the audited financial statements of the Company and the Group for the financial year ended 31 December 2019 would have been as set out below.

	<b>Market Acquisitions</b>			
	<b>Company</b>		<b>Group</b>	
	<b>Before Share Purchase US\$'000</b>	<b>After Share Purchase US\$'000</b>	<b>Before Share Purchase US\$'000</b>	<b>After Share Purchase US\$'000</b>
Total Equity	45,731	44,066	44,076	42,411
NTA	45,731	44,066	34,880	33,215
Current Assets	8,122	6,457	56,500	54,835
Current Liabilities	354	354	33,971	33,971
Working Capital	7,768	6,103	22,529	20,864
Net Debt	N.M.	1,665	31,111	32,776
No. of Issued Shares (in Thousand)	271,662	244,496	271,662	244,496
<b>Financial Indicators</b>				
NTA per Share (US cents)	16.83	18.02	12.84	13.59
Gearing (Net D/E)	N.M.	3.8%	70.6%	77.3%
Current Ratio (times)	22.94	18.24	1.66	1.61
Basic LPS (US cents)	(4.52)	(5.02)	(4.52)	(5.02)

	Off-Market Acquisitions			
	Company		Group	
	Before Share Purchase US\$'000	After Share Purchase US\$'000	Before Share Purchase US\$'000	After Share Purchase US\$'000
Total Equity	45,731	43,817	44,076	42,162
NTA	45,731	43,817	34,880	32,966
Current Assets	8,122	6,208	56,500	54,586
Current Liabilities	354	354	33,971	33,971
Working Capital	7,768	5,854	22,529	20,615
Net Debt	N.M.	1,914	31,111	33,583
No. of Issued Shares (in Thousand)	271,662	244,496	271,662	244,496
<b>Financial Indicators</b>				
NTA per Share (US cents)	16.83	17.92	12.84	13.48
Gearing (Net D/E)	N.M.	4.4%	70.6%	78.3%
Current Ratio (times)	22.94	17.54	1.66	1.61
Basic LPS (US cents)	(4.52)	(5.02)	(4.52)	(5.02)

*Notes:*

- (1) NTA means Net Tangible Assets; Net D/E means Net Debt-to-Equity; LPS means Loss Per Share
- (2) The disclosed financial effects remain the same irrespective of whether:
  - (a) the purchase of the Shares is effected out of capital or profits; or
  - (b) the purchased Shares are held in treasury or are cancelled.
- (3) NTA equals total equity less non-controlling interests and intangible assets. NTA per Share is calculated based on the number of issued Shares excluding treasury shares.
- (4) Current Ratio equals Current Assets divided by Current Liabilities.
- (5) The exchange rate between S\$ and US\$ used for the Average Closing Price was S\$1.4196 to US\$1.00. (Source: Reuters)

**Shareholders should note that the financial effects illustrated above are for illustration purposes only. In particular, it is important to note that the analysis above is based on historical numbers, and is not necessarily representative of future financial performance of the Company. Although the Share Buyback Mandate would authorise the Company to purchase or acquire up to 10% of the total number of Shares issued by the Company as at the date that the Share Buyback Mandate is obtained, the Company may not necessarily buy back or be able to buy back 10% of the total number of Shares issued in full. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.**

The Company will take into account both financial and non-financial factors (for example, share market conditions and the performance of the Shares) in assessing the relative impact of a share purchase before execution.

## **2.7 TAX IMPLICATIONS**

Shareholders who are in doubt as to their respective tax positions or the tax implications of share repurchases by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

## **2.8 REPORTING REQUIREMENTS UNDER THE COMPANIES ACT**

Within 30 days of a purchase of Shares on the SGX-ST or otherwise, the Company shall lodge with ACRA the notice of the purchase in the prescribed form, such notification including inter alia, details of the purchase, the total number of Shares purchased by the Company, the total number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued ordinary share capital before the purchase and after the purchase of Shares, the amount of consideration paid by the Company for the purchase, and whether the Shares were purchased out of the profits or the capital of the Company.

## 2.9 LISTING MANUAL RULES

Under the Listing Manual, a listed company may only purchase shares by way of Market Acquisitions at a price per share which is not more than 5% above the average closing market price, being the average of the closing market prices of the shares over the last five Market Days, on which transactions in the shares were recorded, before the day on which the purchases were made. The Maximum Price for a Share in relation to Market Acquisitions by the Company, referred to in Section 2.3.4 of this Appendix, conforms to this restriction.

Although the Listing Manual does not prescribe a maximum price in relation to purchases of shares by way of Off-Market Acquisitions, the Company has set a cap of 20% above the Average Closing Price of a Share as the Maximum Price for a Share to be purchased or acquired by way of an Off-Market Acquisition.

Rule 886 of the Listing Manual specifies that a listed company shall notify all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m.:

- (a) in the case of a Market Acquisition, on the Market Day following the day of purchase or acquisition of any of its shares; and
- (b) in the case of an Off-Market Acquisition under an equal access scheme, on the second Market Day after the close of acceptances of the offer.

Such announcement (which must be in the form of Appendix 8.3.1 to the Listing Manual) shall include *inter alia*, details of the total number of shares authorised for purchase, the date of purchase, the total number of shares purchased, the purchase price per share (or the highest price and lowest price per share in the case of Market Acquisitions), the total consideration (including stamp duties and clearing charges) paid for the shares and the number of issued shares (excluding treasury shares) after purchase.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase of Shares pursuant to the Share Buyback Mandate at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price-sensitive information has been publicly announced. In particular, in line with the best practices guide on securities dealings set out in the Listing Manual, the Company will not purchase or acquire any Shares during the period of one month before the announcement of the Company’s half year and full year financial statements or, where the Company is required to announce quarterly financial statements, during the period commencing two weeks before the announcement of the Company’s financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company’s full year financial statements.

## 2.10 LISTING STATUS OF THE SGX-ST

The Listing Manual requires a listed company to ensure that at least 10% of equity securities (excluding preference shares and convertible equity securities) in any class that is listed is at all times held by the public. The “public”, as defined under the Listing Manual, are persons other than Directors, chief executive officer and substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries, as well as the associates (as defined in the Listing Manual) of such persons.

As at the Latest Practicable Date, there are 167,554,205 Shares in the hands of the public (as defined above), representing 61.68% of the issued and paid-up share capital of the Company. Assuming that the Company purchases 27,166,222 Shares through Market Acquisitions up to the full 10% limit pursuant to the Share Buyback Mandate, the number of Shares in the hands of the public would be reduced to 140,387,983 Shares, representing 51.68% of the issued and paid-up share capital of the Company as at the Latest Practicable Date.

In undertaking any purchases of its Shares through Market Acquisitions, the Directors will use their best efforts to ensure that a sufficient number of Shares remain in public hands so that the Share Buyback(s) will not:

- (a) adversely affect the listing status of the Shares on the SGX-ST;
- (b) cause market illiquidity; or
- (c) adversely affect the orderly trading of Shares.

## **2.11 TAKE-OVER IMPLICATIONS UNDER THE TAKE-OVER CODE**

Appendix 2 of the Take-over Code contains the Share Buyback Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

### **2.11.1 Obligation to Make a Take-over Offer**

If, as a result of any purchase or acquisition by the Company of its Shares, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a mandatory take-over offer for the Company under Rule 14 of the Take-over Code.

Under Rule 14 of the Take-over Code, a person, unless exempted, will be required to make a general offer for a public company if:

- (i) he acquires 30% or more of the voting rights of the company; or
- (ii) he already holds between 30% and 50% of the voting rights of the company, and he increases his voting rights in the company by more than 1% in any period of six months.

### **2.11.2 Persons Acting in Concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons will, *inter alia*, be presumed to be acting in concert:

- (a) a company with any of its directors; and
- (b) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with each other. For this purpose, ownership or control of at least 20% but not more than 50% of the equity share capital of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

### **2.11.3 Effect of Rule 14 and Appendix 2 of the Take-over Code**

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors of the Company and persons acting in concert with them will incur an obligation to make a takeover offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors of the Company will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

However, Shareholders will be subject to the provisions of Rule 14 of the Take-over Code if they acquire Shares after the Company's Share Purchases. For the purpose of the Take-over Code, an increase in the percentage of voting rights as a result of the Share Purchases will be taken into account in determining whether a Shareholder and persons acting in concert with him have increase their voting rights by more than 1% in any period of six months.

The Directors are not aware of any facts or factors which suggest or imply that any particular Shareholder is, or may be regarded as, a party acting in concert such that his interests in voting Shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase of Shares by the Company pursuant to the Share Buyback Mandate.

The Directors are not aware of any Shareholder who may become obligated to make a mandatory offer in the event that the Company purchases the maximum number of Shares under the Share Buyback Mandate.

Shareholders are advised to consult their professional advisers and/or the Securities Industry Council and/or the relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any share purchases or acquisitions by the Company pursuant to the Share Buyback Mandate.

### **2.12 SHARES PURCHASED BY THE COMPANY**

The Company has not purchased any Shares in the 12 months preceding the Latest Practicable Date.

### 3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

#### 3.1 DIRECTORS' INTERESTS

The interests of the Directors, direct or indirect, in the Shares as extracted from the Company's Register of Directors' Shareholdings, as at the Latest Practicable Date, are as set out below:

Director	Direct Interest		Deemed Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
Anthony Brian Taylor	11,139,702	4.10	-	-
Malcolm John Burrell	11,139,702	4.10	-	-
Matthew Jonathan Garner	-	-	-	-
Kenny Sim Mong Keang	-	-	-	-
John Lim Yew Kong	15,000	0.005	-	-
Basil Chan	165,000	0.060	-	-
Cosimo Borrelli	-	-	497,900 <sup>(2)</sup>	0.183

**Notes:**

(1) Percentage of shareholding is calculated based on 271,662,227 Shares.

(2) Mr Cosimo Borrelli is deemed interested in 497,900 Shares held by Joe Harper Limited, by virtue of Section 7 of the Companies Act.

The Executive Directors of the Company has been granted the following options under the Global Invacom Employee Share Option Scheme 2013:

	Options Granted on		Total Options Granted
	7 July 2013	22 June 2015	
Anthony Brian Taylor	1,890,000	1,890,000	3,780,000
Malcolm John Burrell	-	650,000	650,000
Matthew Jonathan Garner	-	650,000	650,000

#### 3.2 SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the substantial Shareholders, direct or indirect, in the Shares as extracted from the Company's Register of Substantial Shareholders, as at the Latest Practicable Date, are as set out below:

Substantial Shareholders	Direct Interest		Deemed Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
Gregory Knox Jones <sup>(2)</sup>	-	-	24,334,179	8.96
EGCP II Satellite Holdings, LLC ("EGCP")	24,334,179	8.96	-	-
Neo Chee Beng <sup>(3)</sup>	7,000	0.002	18,231,000	6.71
Tan Seng Hock	8,456,500	3.11	7,307,500 <sup>(4)</sup>	2.69

**Notes:**

(1) Percentage of shareholding is calculated based on 271,662,227 Shares.

(2) Mr Gregory Knox Jones is deemed interested in 24,334,179 Shares held by EGCP, by virtue of Section 7 of the Companies Act.

(3) Mr Neo Chee Beng is deemed interested in 18,231,000 Shares assigned to nominees, by virtue of Section 7 of the Companies Act.

(4) Mr Tan Seng Hock is deemed interest in 2,057,500 Shares held by Allplus Holdings Pte. Ltd., by virtue of his 83% shareholding in Allplus Holdings Pte. Ltd. and 5,250,000 Shares held by Coffee Express 2000 Pte. Ltd., by virtue of his 33.33% shareholding in Coffee Express 2000 Pte. Ltd.

### 4. DIRECTORS' RECOMMENDATION

Having fully considered the rationale and benefit of the proposed renewal of the Share Buyback Mandate, the Directors are of the opinion that the proposed renewal of the Share Buyback Mandate is in the best interests of the Company. For the reasons set out in Section

2.2 of this Appendix, the Directors recommend that Shareholders vote in favour of Resolution 9, being the Ordinary Resolution relating to the proposed renewal of the Share Buyback Mandate at the forthcoming AGM to be held by way of electronic means on Thursday, 25 June 2020 at 2.00 p.m.

## **5. ACTION TO BE TAKEN BY SHAREHOLDERS**

In view of the on-going COVID-19 outbreak, the Company will be conducting the AGM by electronic means pursuant to the provisions of the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (“**Order**”) and the Joint Statement by Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation issued on 13 April 2020 (and updated on 27 April 2020) titled “Additional Guidance on the Conduct of General Meetings During Elevated Safe Distancing Period”.

Shareholders who wish to appoint Chairman of the AGM as proxy to vote on their behalf should complete, sign and return the Proxy Form in accordance with the instructions printed thereon as soon as possible such that the Company receives it, not less than 48 hours before the time fixed for the AGM.

A depositor holding shares through CDP in Singapore shall not be regarded as a Shareholder entitled to participate at the AGM unless his name appears on the Depository Register as certified by CDP, not less than 72 hours before the time fixed for the AGM.

## **6. DIRECTORS’ RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm that after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the matters stated in the Appendix, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Appendix in its proper form and context.

Yours faithfully  
For and on behalf of the Board of Directors  
**GLOBAL INVACOM GROUP LIMITED**

Anthony Brian Taylor  
Executive Chairman