



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

**RESPONSE TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED
("SGX-ST") ON THE FULL YEAR RESULTS FOR FY2023**

The Board of Directors (the "**Board**") of GLOBAL INVACOM GROUP LIMITED (the "**Company**") refers to the following queries raised by the SGX-ST on 1 March 2024 and would like to provide additional information in relation to the Company's full year results for the financial year ended 31 December 2023 ("**FY2023**"), as follows:

SGX-ST's Query 1:

It is noted that the Company's revenue decreased by 11.5% in FY2023 compared to FY2022. It is disclosed on page 17 of the unaudited financial statements that "Geographically, Group revenue for FY2023 decreased in America, Europe and Rest of the World ("**RoW**") by US\$3.0 million (-7.4%), US\$1.4 million (-7.2%) and US\$4.4 million (-40.7%), respectively and increased in Asia by US\$0.4 million (+15.8%)". Please elaborate on the factors which led to a decrease in revenue from FY2022 to FY2023.

Company's response to Query 1:

As announced in our 1H FY2023 results announcement, the market requirement for our products have been impacted by the ongoing delays to the launch of satellites, resulting in a delay to demand for some of our legacy products and in bringing new products to market which impacted all regions during FY2023.

With the increased business focus on product mix and driving improved profit margins, the business has been able to reduce the net loss from FY2022 to FY2023 despite the decrease in revenue.

SGX-ST's Query 2:

Please disclose a breakdown of other payables amounting to US\$3,979,000 and US\$3,109,000 as at 31 December 2023 and 31 December 2022 respectively. Please disclose the ageing and nature of these other payables and whether the counterparties are related parties.

Company's response to Query 2:

Nature and aging of other payables:

	Current US\$'000	Past due 1 to 6 months US\$'000	Past due > 6 months US\$'000	FY2023 US\$'000
Accrued operating expenses	2,843	-	-	2,843
Provision for warranty	170	-	-	170
Customers advances received	389	-	-	389
GST/VAT payables	158	-	-	158
Other creditors	340	52	27	419
	3,900	52	27	3,979

	Current US\$'000	Past due 1 to 6 months US\$'000	Past due > 6 months US\$'000	FY2022 US\$'000
Accrued operating expenses	1,574	-	-	1,574
Provision for warranty	148	-	-	148
Customers advances received	781	-	-	781
GST/VAT payables	84	-	-	84
Other creditors	487	7	28	522
	3,074	7	28	3,109

Save as disclosed above, no counterparties are related parties.

SGX-ST's Query 3:

Please explain the increase in trade payables of US\$2,020,000 from US\$10,006,000 as at 31 December 2022 to US\$12,026,000 as at 31 December 2023, when cost of sales decreased by 18.2%.

Company's response to Query 3:

The management has taken steps to efficiently manage the cash resources of the Group to support its business operations and to ensure both the viability of the Group and that the working capital requirements are met. At the end of FY2023, this has resulted in a higher trade payables total.

There is a sizeable quantity of stock components with an extended lead time received in December 2023 with a value of US\$1.2 million that makes up a significant part of the increase.

BY ORDER OF THE BOARD

Gordon Blaikie

Executive Director and Interim Chief Executive Officer

5 March 2024