



**global invacom**  
completing the picture

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

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**  
For The Six Months Ended 30 June 2024

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**A. Condensed Interim Consolidated Statement of Comprehensive Income**

	<b>Group</b>		
	<b>1H FY2024 US\$'000</b>	<b>1H FY2023 US\$'000 (Restated)</b>	<b>Increase/ (Decrease) %</b>
<b><u>Continuing operations</u></b>			
<b>Revenue</b>	<b>15,804</b>	<b>16,580</b>	<b>(4.7)</b>
Cost of sales	(10,028)	(9,673)	3.7
Gross profit	5,776	6,907	(16.4)
Other income	38	432	(91.2)
Distribution costs	(83)	(84)	(1.2)
Administrative expenses	(7,746)	(7,288)	6.3
Research and development expenses	(1,651)	(1,483)	11.3
Other operating expenses	(160)	(194)	(17.5)
Finance costs	(301)	(25)	N.M.
<b>Loss before income tax</b>	<b>(4,127)</b>	<b>(1,735)</b>	<b>137.9</b>
Income tax expense	(29)	(29)	-
<b>Loss for the period from continuing operations</b>	<b>(4,156)</b>	<b>(1,764)</b>	<b>135.6</b>
<b>Discontinued operations</b>			
Loss for the period from discontinued operations	(3,296)	(372)	786.0
<b>Total loss for the period</b>	<b>(7,452)</b>	<b>(2,136)</b>	<b>248.9</b>
<b>Other comprehensive income:</b>			
Items that may be reclassified subsequently to profit or loss			
- Exchange differences on translation of foreign subsidiaries	105	917	(88.5)
<b>Other comprehensive income for the period, net of tax</b>	<b>105</b>	<b>917</b>	<b>(88.5)</b>
<b>Total comprehensive loss for the period</b>	<b>(7,347)</b>	<b>(1,219)</b>	<b>502.7</b>
<b>Loss for the period attributable to:</b>			
Equity holders of the Company	(7,450)	(2,136)	248.8
Non-controlling interests	(2)	-	N.M.
	<b>(7,452)</b>	<b>(2,136)</b>	<b>248.9</b>
<b>Total comprehensive loss for the period attributable to:</b>			
Equity holders of the Company	(7,345)	(1,219)	502.5
Non-controlling interests	(2)	-	N.M.
	<b>(7,347)</b>	<b>(1,219)</b>	<b>502.7</b>

N.M.: Not Meaningful

**B. Condensed Interim Statements of Financial Position**

	Group		Company	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
	US\$'000	US\$'000	US\$'000	US\$'000
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Property, plant and equipment	4,736	5,651	4	5
Right-of-use assets	616	1,796	-	-
Investments in subsidiaries	-	-	17,923	17,909
Goodwill	893	893	-	-
Intangible assets	995	1,137	-	-
Deferred tax assets	625	625	-	-
Other receivables and prepayments	-	54	-	-
	<u>7,865</u>	<u>10,156</u>	<u>17,927</u>	<u>17,914</u>
<b>Current Assets</b>				
Due from subsidiaries	-	-	2,857	3,594
Inventories	13,740	19,882	-	-
Trade receivables	6,145	11,052	-	-
Other receivables and prepayments	1,660	1,700	1,243	14,948
Tax receivables	36	976	-	-
Cash and cash equivalents	7,231	10,795	181	253
	<u>28,812</u>	<u>44,405</u>	<u>4,281</u>	<u>18,795</u>
Assets classified as held for sale	6,864	-	-	-
	<u>35,676</u>	<u>44,405</u>	<u>4,281</u>	<u>18,795</u>
<b>Total assets</b>	<b><u>43,541</u></b>	<b><u>54,561</u></b>	<b><u>22,208</u></b>	<b><u>36,709</u></b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	60,423	60,423	74,240	74,240
Treasury shares	(1,656)	(1,656)	(1,656)	(1,656)
Reserves	(33,094)	(25,763)	(53,264)	(38,622)
Equity attributable to owners of the Company	<u>25,673</u>	<u>33,004</u>	<u>19,320</u>	<u>33,962</u>
Non-controlling interests	(30)	(28)	-	-
<b>Total equity</b>	<b><u>25,643</u></b>	<b><u>32,976</u></b>	<b><u>19,320</u></b>	<b><u>33,962</u></b>
<b>Non-current Liabilities</b>				
Other payables	162	162	-	-
Lease liabilities	335	399	-	-
Deferred tax liabilities	296	297	-	-
	<u>793</u>	<u>858</u>	<u>-</u>	<u>-</u>
<b>Current Liabilities</b>				
Due to subsidiaries	-	-	2,552	2,478
Trade payables	3,552	12,026	-	-
Other payables	3,816	3,979	336	269
Borrowings	3,220	3,232	-	-
Lease liabilities	281	1,490	-	-
	<u>10,869</u>	<u>20,727</u>	<u>2,888</u>	<u>2,747</u>
Liabilities directly associated with assets classified as held for sale	6,236	-	-	-
	<u>17,105</u>	<u>20,727</u>	<u>2,888</u>	<u>2,747</u>
<b>Total liabilities</b>	<b><u>17,898</u></b>	<b><u>21,585</u></b>	<b><u>2,888</u></b>	<b><u>2,747</u></b>
<b>Total equity and liabilities</b>	<b><u>43,541</u></b>	<b><u>54,561</u></b>	<b><u>22,208</u></b>	<b><u>36,709</u></b>

### 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
<b>Balance at 1 January 2024</b>	<b>60,423</b>	<b>(1,656)</b>	<b>(10,150)</b>	<b>6</b>	<b>796</b>	<b>(7,822)</b>	<b>906</b>	<b>(9,499)</b>	<b>33,004</b>	<b>(28)</b>	<b>32,976</b>
Share-based payments	-	-	-	-	14	-	-	-	14	-	14
Transfer to capital reserve in accordance with statutory requirements	-	-	-	-	-	6	-	(6)	-	-	-
Loss for the period	-	-	-	-	-	-	-	(7,450)	(7,450)	(2)	(7,452)
Other comprehensive income:											
Exchange differences on translating foreign operations	-	-	-	-	-	-	105	-	105	-	105
Total other comprehensive income/(loss) for the period	-	-	-	-	-	-	105	(7,450)	(7,345)	(2)	(7,347)
<b>Balance at 30 June 2024</b>	<b>60,423</b>	<b>(1,656)</b>	<b>(10,150)</b>	<b>6</b>	<b>810</b>	<b>(7,816)</b>	<b>1,011</b>	<b>(16,955)</b>	<b>25,673</b>	<b>(30)</b>	<b>25,643</b>

	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
<b>Balance as at 1 January 2023</b>	<b>60,423</b>	<b>(1,656)</b>	<b>(10,150)</b>	<b>6</b>	<b>761</b>	<b>(7,836)</b>	<b>581</b>	<b>(8,522)</b>	<b>33,607</b>	<b>(24)</b>	<b>33,583</b>
Share-based payments	-	-	-	-	4	-	49	-	53	-	53
Transfer to capital reserve in accordance with statutory requirements	-	-	-	-	-	14	-	(14)	-	-	-
Loss for the period	-	-	-	-	-	-	-	(2,136)	(2,136)	-	(2,136)
Other comprehensive income:											
Exchange differences on translating foreign operations	-	-	-	-	-	-	917	-	917	-	917
Total other comprehensive income/(loss) for the period	-	-	-	-	-	-	917	(2,136)	(1,219)	-	(1,219)
<b>Balance as at 30 June 2023</b>	<b>60,423</b>	<b>(1,656)</b>	<b>(10,150)</b>	<b>6</b>	<b>765</b>	<b>(7,822)</b>	<b>1,547</b>	<b>(10,672)</b>	<b>32,441</b>	<b>(24)</b>	<b>32,417</b>

**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
<b>Balance at 1 January 2024</b>	<b>74,240</b>	<b>(1,656)</b>	<b>797</b>	<b>(4,481)</b>	<b>(2,506)</b>	<b>(32,432)</b>	<b>33,962</b>
Share-based payments	-	-	(8)	-	-	-	(8)
Loss for the period	-	-	-	-	-	(14,634)	(14,634)
Other comprehensive loss:							
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive loss for the period	-	-	-	-	-	(14,634)	(14,634)
<b>Balance at 30 June 2024</b>	<b>74,240</b>	<b>(1,656)</b>	<b>789</b>	<b>(4,481)</b>	<b>(2,506)</b>	<b>(47,066)</b>	<b>19,320</b>
<b>Balance at 1 January 2023</b>	<b>74,240</b>	<b>(1,656)</b>	<b>713</b>	<b>(4,481)</b>	<b>(2,506)</b>	<b>(32,198)</b>	<b>34,112</b>
Share-based payments	-	-	53	-	-	-	53
Profit for the period	-	-	-	-	-	31	31
Other comprehensive income:							
Exchange differences on translating foreign operations	-	-	-	-	-	-	-
Total other comprehensive income for the period	-	-	-	-	-	31	31
<b>Balance at 30 June 2023</b>	<b>74,240</b>	<b>(1,656)</b>	<b>766</b>	<b>(4,481)</b>	<b>(2,506)</b>	<b>(32,167)</b>	<b>34,196</b>

**D. Condensed Interim Consolidated Statement of Cash Flows**

	Group	
	1H FY2024 US\$'000	1H FY2023 US\$'000
<b>Cash Flows from Operating Activities</b>		
Loss before income tax	(7,423)	(2,107)
Adjustments for:		
Depreciation of property, plant and equipment	672	788
Amortisation of intangible assets	142	140
Depreciation of right-of-use assets	609	777
Allowance for inventory obsolescence, net	251	258
Gain on disposal of property, plant and equipment	(330)	-
Allowance of impairment loss on non-current assets	1,211	-
Allowance/(Write-back) of impairment loss on trade receivables	24	(2)
Unrealised exchange loss	117	906
Interest expense	343	174
Share-based payments	14	4
<b>Operating cash (outflow)/inflow before working capital changes</b>	<b>(4,370)</b>	<b>938</b>
Changes in working capital:		
Inventories	1,477	(283)
Trade receivables	3,017	(2,367)
Other receivables and prepayments	622	(1,123)
Trade and other payables	(3,697)	1,622
<b>Cash used in from operating activities</b>	<b>(2,951)</b>	<b>(1,213)</b>
Interest paid	(50)	(174)
Income tax paid	(4)	(8)
<b>Net cash used in operating activities</b>	<b>(3,005)</b>	<b>(1,395)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(223)	(205)
Proceeds from disposal of property, plant and equipment	330	-
<b>Net cash generated from/(used in) investing activities</b>	<b>107</b>	<b>(205)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from borrowings	9,173	13,338
Repayment of borrowings	(9,185)	(14,626)
Principal payment of lease liabilities	(643)	(837)
<b>Net cash used in financing activities</b>	<b>(655)</b>	<b>(2,125)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,553)</b>	<b>(3,725)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>10,795</b>	<b>9,244</b>
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(11)	(17)
<b>Cash and cash equivalents at the end of the period</b>	<b>7,231</b>	<b>5,502</b>

## **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 ended 30 June 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 ended 30 June 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

**3. Seasonal Operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the six months ended 30 June 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 15, the Group is diversifying 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 have been presented separately.

**4.1 Reportable segments**

	<b>VSAT US\$'000</b>	<b>Non-VSAT US\$'000</b>	<b>Group US\$'000</b>
<b>1H FY2024</b>			
<b><u>Continuing operations</u></b>			
Revenue	8,965	6,839	15,804
Operating loss	(719)	(3,107)	(3,826)
Finance costs			(301)
Income tax expense			(29)
<b>Loss for the period</b>			<b>(4,156)</b>
Amortisation of intangible assets	136	6	142
Depreciation of property, plant and equipment	265	295	560
Depreciation of right-of-use assets	50	156	206
Purchase of property, plant and equipment	23	200	223
Allowance for Impairment loss on trade receivables	19	5	24
Allowance for inventory obsolescence, net	75	176	251



**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
<b><u>Discontinued operations</u></b>			
Revenue	7,996	877	8,873
Operating loss	(2,932)	(322)	(3,254)
Finance costs			(42)
Income tax expense			-
<b>Loss for the period</b>			<b>(3,296)</b>
Depreciation of property, plant and equipment	101	11	112
Depreciation of right-of-use assets	363	40	403
Allowance of impairment loss on non-current assets	1,091	120	1,211
<b>Assets and liabilities</b>			
Segment assets	19,495	16,287	35,782
<b><u>Unallocated assets</u></b>			
- Non-current assets			4
- Other receivables			49
- Deferred tax assets			625
- Cash and cash equivalents			181
- Tax receivables			36
- Assets classified as held for sale			6,864
<b>Total assets</b>			<b>43,541</b>
Segment liabilities	3,414	4,396	7,810
<b><u>Unallocated liabilities</u></b>			
- Other payables			336
- Deferred tax liabilities			296
- Borrowings			3,220
- Liabilities relating to classified as held for sale			6,236
<b>Total liabilities</b>			<b>17,898</b>
<b>1H FY2023</b>			
<b><u>Continuing operations</u></b>			
Revenue	5,201	11,379	16,580
Operating loss	(913)	(797)	(1,710)
Finance costs			(25)
Income tax expense			(29)
<b>Loss for the period</b>			<b>(1,764)</b>
Amortisation of intangible assets	113	27	140
Depreciation of property, plant and equipment	180	397	577
Depreciation of right-of-use assets	27	203	230
Addition to property, plant and equipment	68	137	205
Write-back of impairment loss on trade receivables	-	(2)	(2)
Allowance for inventory obsolescence	6	7	13

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

**4. Segment and Revenue Information (cont'd)**

**4.2 Reportable segments (cont'd)**

	<b>VSAT US\$'000</b>	<b>Non-VSAT US\$'000</b>	<b>Group US\$'000</b>
<b><u>Discontinued operations</u></b>			
Revenue	11,861	2,897	14,758
Operating loss	(178)	(45)	(223)
Finance costs			(149)
Income tax expense			-
<b>Loss for the period</b>			<b>(372)</b>
Depreciation of property, plant and equipment	170	41	211
Depreciation of right-of-use assets	440	107	547
Allowance for inventory obsolescence, net	197	48	245
<b>Assets and liabilities</b>			
Segment assets	28,596	25,190	53,786
<b><u>Unallocated assets</u></b>			
- Non-current assets			6
- Other receivables			61
- Deferred tax assets			235
- Cash and cash equivalents			182
- Tax receivables			190
<b>Total assets</b>			<b>54,460</b>
Segment liabilities	9,053	8,427	17,480
<b><u>Unallocated liabilities</u></b>			
- Other payables			152
- Deferred tax liabilities			211
- Borrowings			4,200
<b>Total liabilities</b>			<b>22,043</b>

**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.

	<b>Group</b>	
	<b>1H FY2024 US\$'000</b>	<b>1H FY2023 US\$'000</b>
<b>Principal geographical market</b>		
<u>America</u>		
- Sale of goods	5,129	6,070
<u>Europe</u>		
- Sale of goods	7,316	7,820
<u>Asia</u>		
- Sale of goods	2,761	1,352
<u>Rest of the World</u>		
- Sale of goods	598	1,338
 Total	 15,804	 16,580
 <b>Major product lines</b>		
Sale of goods	15,804	16,580

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**

	<b>Group</b>	
	<b>1H FY2024 US\$'000</b>	<b>1H FY2023 US\$'000 (Restated)</b>
<b><u>Continuing operations</u></b>		
Interest expense	(301)	(25)
Loss on foreign exchange	(135)	(194)
(Allowance)/Write-back of impairment loss on trade receivables	(24)	2
Allowance for inventory obsolescence	(251)	(13)
Depreciation of property, plant and equipment	(560)	(577)
Depreciation of right-of-use assets	(206)	(230)
Amortisation of intangible assets	(142)	(140)

**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.

**7. Loss Per Share**

<b>Loss per ordinary share of the Group, after deducting any provision for preference dividends</b>	<b>Group</b>	
	<b>1H FY2024 US\$</b>	<b>1H FY2023 US\$</b>
<b><u>Continuing operations</u></b>		
(a) Based on weighted average number of ordinary shares on issue; and	(1.53) cents	(0.65) cents
(b) On a fully diluted basis	(1.53) cents*	(0.65) cents*
<b><u>Discontinued operations</u></b>		
Based on weighted average number of ordinary shares on issue; and	(1.21) cents	(0.14) cents
On a fully diluted basis	(1.21) cents*	(0.14) cents*
Weighted average number of ordinary shares used in computation of basic earnings per share	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

\* 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.

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

**8. Net Asset Value**

	Group		Company	
	30 Jun 2024 US\$	31 Dec 2023 US\$	30 Jun 2024 US\$	31 Dec 2023 US\$
Net asset value per ordinary share based on issued share capital	9.45 cents	12.15 cents	7.11 cents	12.50 cents
Total number of issued shares	271,662,227	271,662,227	271,662,227	271,662,227

**9. Intangible Assets**

	Trading name US\$'000	Intellectual property rights US\$'000	Capitalised development costs US\$'000	Total US\$'000
<b>Group 2024</b>				
<u>Cost</u>				
Balance at 1 January and 30 June	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	-	142	-	142
Balance at 30 June	16	1,679	4,834	6,529
<u>Net book value</u>				
Balance at 30 June	-	995	-	995
<b>2023</b>				
<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	
	30 June 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

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

**10. Goodwill (cont'd)**

**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:

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

**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
<b>Group</b>						
<b>2024</b>						
<u>Cost</u>						
Balance at 1 January	2,871	16,546	7,889	40	1,531	28,877
Reclassified to assets classified as held for sale	-	(6,375)	(66)	-	(302)	(6,743)
Additions	-	129	48	-	46	223
Write-off	-	-	(7)	-	-	(7)
Disposals	-	(1,411)	(6,358)	-	(894)	(8,663)
Balance at 30 June	2,871	8,889	1,506	40	381	13,687
<u>Accumulated depreciation</u>						
Balance at 1 January	1,007	13,218	7,545	40	1,416	23,226
Currency realignment	23	24	(6)	-	(43)	(2)
Reclassified to assets classified as held for sale	-	(6,375)	(66)	-	(302)	(6,743)
Depreciation charge	16	518	101	-	37	672
Write-off	-	-	(7)	-	-	(7)
Disposals	-	(1,411)	(6,358)	-	(894)	(8,663)
Impairment	-	341	-	-	127	468
Balance at 30 June	1,046	6,315	1,209	40	341	8,951
<u>Net book value</u>						
Balance at 30 June	1,825	2,574	297	-	40	4,736
<b>2023</b>						
<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)**

	<b>Furniture, fittings &amp; equipment US\$'000</b>	<b>Renovations US\$'000</b>	<b>Total US\$'000</b>
<b>Company</b>			
<b>2024</b>			
<u>Cost</u>			
Balance at 1 January and 30 June	178	-	178
<u>Accumulated depreciation</u>			
Balance at 1 January	173	-	173
Depreciation charge	1	-	1
Balance at 30 June	174	-	174
<u>Net book value</u>			
Balance at 30 June	4	-	4
<b>2023</b>			
<u>Cost</u>			
Balance at 1 January	211	80	291
Additions	6	-	6
Write-off	(39)	(80)	(119)
Balance at 31 December	178	-	178
<u>Accumulated depreciation</u>			
Balance at 1 January	211	80	291
Depreciation charge	1	-	1
Write-off	(39)	(80)	(119)
Balance at 31 December	173	-	173
<u>Net book value</u>			
Balance at 31 December	5	-	5

**12. Investment in Subsidiaries**

	<b>Company</b>	
	<b>30 Jun 2024 US\$'000</b>	<b>31 Dec 2023 US\$'000</b>
Unquoted equity shares, at cost	40,533	40,533
Accounting for employee share options	811	797
Currency realignment	131	131
Less: Allowance for impairment loss	(23,552)	(23,552)
	<u>17,923</u>	<u>17,909</u>

Movements in the allowance for impairment loss are as follows:

At the beginning and end of the period	<u>23,552</u>	<u>23,552</u>
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**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 30 June 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 30 June 2024 and 31 December 2023, an allowance for impairment loss of US\$14,904,000 was made 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 30 Jun 2024		As at 31 Dec 2023	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
3,220	-	3,232	-

Amount repayable after one year:

As at 30 Jun 2024		As at 31 Dec 2023	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
-	-	-	-

The revolving credit loans of US\$3,220,000 were secured over the assets of the subsidiaries and corporate guarantees provided by the Company and its subsidiaries.

As stated in our FY2023 annual report, one of the subsidiaries of the Group, Global Invacom Ltd, had technically breached the financial covenants of the bank loan in 1H FY2004. It did not fulfil the requirement to maintain the minimum interest cover and maximum leverage. As such, the bank is contractually entitled to request for immediate repayment of the outstanding loan in the breach of covenant.

Notwithstanding this, the bank continues to give a waiver and had not requested repayment of the outstanding loan amount at the date when these financial statements were authorised for issue. Management extended the loan agreements’ term to December 2024 and will commence negotiations for a future term in due course.



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

**14. Share Capital**

<b>1H FY2024</b>	<b>Company</b>	
	<b>No. of shares</b>	<b>US\$'000</b>
Balance as at 1 Jan 2024 and 30 Jun 2024	271,662,227	72,584
<b>1H FY2023</b>	<b>No. of shares</b>	<b>US\$'000</b>
Balance as at 1 Jan 2023 and 30 Jun 2023	271,662,227	72,584

There were 10,740,072 treasury shares held by the Company as at 30 June 2024 and 30 June 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:

	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
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:

<b>1H FY2024</b>	<b>No. of shares</b>	<b>US\$'000</b>
Balance as at 1 Jan 2024 and 30 Jun 2024	10,740,072	1,656

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

**15. Discontinued operations and disposal group classified as held-for-sale**

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 the it was no longer economically feasible to continue with the operations of SAC.

As SAC business represent a separate major line of business of the Group ("Discontinued Operations"), the assets and liabilities related to the Discontinued Operations has been reclassified under "assets classified as held for sale" and "liabilities directly associated with assets classified as held for sale", respectively, on the consolidated statement of financial position of the Group as at 30 June 2024.

The combined results of the Discontinued Operations included in the consolidated statement of comprehensive income for 1H FY2024 and 1H FY2023 are set out below.

	<b>1H FY2024 US\$'000</b>	<b>1H FY2023 US\$'000</b>
<b><u>Discontinued operations</u></b>		
<b>Revenue</b>	<b>8,873</b>	<b>14,758</b>
Cost of sales	(9,334)	(13,058)
Gross (loss)/profit	(461)	1,700
Other income	330	-
Distribution costs	(47)	(28)
Administrative expenses	(1,480)	(1,530)
Research and development expenses	(385)	(365)
Other operating expenses	(1,211)	-
Finance costs	(42)	(149)
<b>Loss before income tax</b>	<b>(3,296)</b>	<b>(372)</b>
Income tax expense	-	-
<b>Loss for the period from discontinued operations</b>	<b>(3,296)</b>	<b>(372)</b>
<b>Attributable to:</b>		
Equity holders of the Company	(3,296)	(372)
Non-controlling interests	-	-
	<b>(3,296)</b>	<b>(372)</b>
	<b>1H FY2024 US\$'000</b>	<b>1H FY2023 US\$'000</b>
<b><u>Cash flows from discontinued operations</u></b>		
Cash flow (used in)/generated from operating activities	(3,666)	1,361
Cash flow generated from investing activities	330	4,420
Cash flow used in financing activities	(18)	(3,471)
Net cash (outflow)/inflow from discontinued operations	(3,354)	2,310

Assets classified as held for sale are measured at the lower of their carrying amount and fair value less cost to sell. Accordingly, management has remeasured the carrying amount of the Discounted Operations at the reporting date which is a non-recurring fair value measurement.

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

**15. Discontinued operations and disposal group classified as held-for-sale (cont'd)**

The combined major classes of assets and liabilities of the Discontinued Operations at the end of the reporting period are as follows:

	<b>30 Jun 2024</b> <b>US\$'000</b>
<b><u>Assets classified as held for sale</u></b>	
Inventories	4,414
Trade receivables and other receivables	2,180
Cash and cash equivalents	270
	<u>6,864</u>
<b><u>Liabilities directly associated with assets classified as held for sale</u></b>	
Trade and other payables	5,013
Borrowings	414
Lease liabilities	809
	<u>6,236</u>

**16. Subsequent Events**

There are no other known material subsequent events which have led to adjustments to this set of interim financial statements.

## **F. Other Information Required by Listing Rule Appendix 7.2**

### **1. Review**

The condensed consolidated statement of financial position of Global Invacom Group Limited and its subsidiaries as at 30 June 2024 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of financial position, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the six-months period 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 six months ended 30 June 2024 ("1H FY2024") decreased by 4.7% to US\$15.8 million from US\$16.6 million in the prior year ("1H FY2023") due mainly to reductions in customer demand for reflector products.

Geographically, the Group's revenue for 1H FY2024 decreased in America, Europe and Rest of the World by US\$0.9 million (-15.5%), US\$0.5 million (-6.4%) and US\$0.7 million (-55.3%), respectively, partly offset by an increase in Asia by US\$1.4 million (+104.2%).

##### **Gross Profit**

Gross profit decreased by 16.4% to US\$5.8 million in 1H FY2024 from US\$6.9 million in 1H FY2023. Gross profit margin decreased by 5.2 percentage points from 41.7% to 36.5%, due to a change in the product mix.

##### **Other Income**

Other income in 1H FY2024 relates to the gain on the sale of machinery in the Group's UK subsidiary.

##### **Administrative and Research and Development Expenses**

Administrative expenses, together with research and development expenses, for 1H FY2024 increased by 7.1% to US\$9.4 million compared to US\$8.8 million in 1H FY2023, representing 59.4% and 52.9% of revenue. The increase was mainly due to the additional professional and restructuring fees incurred in 1H FY2024, aimed at streamlining the Group's operations. The increased investment in external expertise is anticipated by the management to yield long-term benefits to the Group, including improved operational efficiency.

##### **Other Operating Expenses**

Other operating expenses in 1H FY2024 and 1H FY2023 were attributed mainly to foreign exchange losses.

##### **Loss Before Tax & Net Loss**

The Group posted a loss before tax and net loss of US\$4.1 million and US\$4.2 million, respectively, in 1H FY2024, compared to a loss before tax and net loss of US\$1.7 million and US\$1.8 million, respectively, in 1H FY2023.

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

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

**2.2 Review of Financial Position**

Non-current assets decreased by US\$2.3 million to US\$7.9 million as at 30 June 2024, due to the depreciation of plant and equipment, the right-of-use assets, the amortisation of intangible assets and an one-off fair value impairment of US\$1.2 million on the Group's subsidiary in the USA.

Net current assets decreased by US\$5.1 million to US\$18.6 million as at 30 June 2024 compared to US\$23.7 million as at 31 December 2023. Inventories, trade and other receivables, and trade and other payables decreased by US\$6.1 million, US\$4.9 million and US\$8.6 million, respectively, mainly due to assets and liabilities classified as held for sale as a result of the discontinued operations of SAC.

Cash and cash equivalents decreased by US\$3.6 million to US\$7.2 million as at 30 June 2024 from US\$10.8 million at 31 December 2023 mainly due to cash used in the operating activities and the repayment of lease liabilities.

Non-current liabilities remained steady at approximately US\$0.8 million as at 30 June 2024 as compared to 31 December 2023.

The Group's net asset value stood at US\$25.7 million as at 30 June 2024, compared to US\$33.0 million as at 31 December 2023.

**2.3 Review of Cash Flows**

In 1H FY2024, net cash used in operating activities amounted to US\$3.0 million, comprising US\$4.4 million cash outflow from operating activities (before working capital changes) and US\$1.4 million net working capital inflow.

Net cash generated from investing activities in 1H FY2024 amounted to US\$0.1 million, mainly from the proceeds from the disposal of property, plant and equipment, partly offset against the purchase of machinery and equipment.

Net cash used in financing activities amounted to US\$0.7 million in 1H 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\$3.6 million in 1H FY2024, bringing cash and cash equivalents per the consolidated statement of cash flows to US\$7.2 million as at 30 June 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.**

As a provider of innovative technology, products, and solutions for the satellite ground equipment sector with a global customer base, 2024 has so far presented a challenging trading environment for the Group. Global macro pressures have continued to impact the Group's performance, especially with the continuing decline of the Direct-To-Home market. Concurrent with these trends, developments from new market entrants and the unveiling of novel technologies have meant that the Group has had to adapt to the ever-evolving nature of the satellite communications industry.

Specifically, the Group is aware that the parent of a significant customer in Direct-to-Home space is facing difficult trading conditions which has affected its financial performance and position. Revenue from this customer has decreased significantly in 1H FY2024. As such, the Group is monitoring the debtor position with this customer closely to limit and manage future exposure. The Company will provide an update as and when there is a material development.

Global Invacom, in line with the Group's Strategic Review, has sought to respond to developments in the broader industry terrain. The Group has proactively identified and where it can, implemented efficiencies to reposition itself for sustainable future growth.

On 10 July 2024, Satellite Acquisition Corporation appointed a receiver, B Riley Advisory Services to manage its affairs those of its subsidiary and assist in structuring the wind-down of the relevant entities.

The Board and management will continue to diligently evaluate the business structure and supply chain in order to maximise efficiencies and cost-savings. We aim to minimise any potential operational impact following these changes so that resources can be reallocated effectively to ensure that we are well placed to meet customer demands for our solutions. The Board's Strategic Review remains ongoing for this purpose.

Looking at the broader market, as industries globally continue to rely on data-intensive applications, such as video conferencing, cloud computing, and the Internet of Things ("IoT"), the need for high-speed connectivity has grown in tandem. A recent report from Statista found that the number of connected devices will exceed 20 billion in 2025<sup>1</sup>. The conditions in the broader industry portray a favourable opportunity for the Group which will work to ensure that the business is well-placed to help meet the expected demand for connectivity products.

In closing, Global Invacom remains steadfastly focused on directing resources towards the research and development team to further accelerate development of new technologies and strengthen its electronic solutions portfolio to best position the Group as a leading player in the ever-changing satellite industry. The Group has made and will continue to make prudent adjustments to its corporate and operational structures. As such, we expect to create a solid foundation for the future of our business, leaving us well-placed for long-term growth and as a future leader in the satellite communications arena.

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<sup>1</sup> <https://www.statista.com/statistics/1183457/iot-connected-devices-worldwide/>

**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 six months ended 30 June 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 six months ended 30 June 2024.

**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 six months ended 30 June 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

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

14 August 2024