



Securities Investors Association (Singapore)

7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111

Tel: (65) 6227 2683 Fax: (65) 6220 6614

Email: admin@sias.org.sg www.sias.org.sg

UEN No: S99SS0111B

GST Reg No: M90367530Y

Issuer: Global Invacom Group Limited

Stock code: QS9

Meeting details:

Date: 27 April 2022

Time: 4.00 p.m.

Due to the current COVID-19 pandemic, SIAS encourage shareholders to participate at AGMs via other means and not to attend any AGM physically. Where the AGM is webcast, they can stay on top of their investments by watching the webcast and submitting their question to the company in advance. Senior citizens should avoid attending AGMs altogether and stay home.

Q1. In the Data Over Satellite (“DOS”) segment, the group serves service providers that includes Hughes Network Systems, Viasat and Gilat Satellite Networks. The group has boosted its capabilities in the DOS segment with the acquisitions of Skyware Global, Skyware Technologies and Apexsat.

The business’ core focus is now on the higher-growth and much-publicised DOS market.

- (i) **Can management help shareholders quantify the addressable market/size of the opportunities in the DOS segment given the group’s capabilities and position?**
- (ii) **What are the realised benefits from the group’s acquisition of SkywareGlobal, Skyware Technologies and Apexsat? Have the acquisitions created long-term shareholder value?**
- (iii) **Given the competition in the marketplace, what is the competitive advantage of the group in DOS? How successful is the group at converting these opportunities into firm orders/contracts that generated profits for shareholders?**
- (iv) **What is the progress made in the development of a low-cost Ka-band user terminal and a larger enterprise solution for use with DOS that was awarded European Space Agency funding?**

Q2. In FY2014, the company listed on the London AIM market, raising gross proceeds of US\$15 million. The dual listing was said to strengthen the group’s leading position as an international research and development-led manufacturer of Satellite Communications equipment and peripheral applications provider to the global satellite industry.

As at 31 December 2014, equity attributable to owners of the company amounted to US\$60.1 million while the group had a net-debt-to-equity ratio of 7.2%. Net debt was US\$4.3 million.

As at 31 December 2021, equity attributable to owners of the company has decreased to US\$47.4 million while the net-debt-to-equity ratio has increased to 40.4%. Net debt amounts to US\$19.1 million.

The company has not paid a dividend since it declared a final cash dividend of 0.525 Singapore cent per share for FY2014.

- (i) **Can the board help shareholders understand if it has been effective at providing entrepreneurial leadership and setting the strategic objectives for the group?** The company has lost US\$(13) million in the past 7 years and it has taken on more debt as at 31 December 2021.

- (ii) **What were the key performance indicators used to measure the performance of management? Is the board satisfied with the performance of management and with the level of value creation?**
- (iii) **Would the independent directors be carrying out a strategic review to assess the company's grow-by-acquisition strategy?**

In July 2021, the company appointed Gordon Blaikie as an executive director and Derek Arthur Henry Grice as the group's new chief technology officer. Anthony Brian Taylor remains as the executive chairman of the board.

- (iv) **Can management (re)state its priorities for 2022? How is management going to improve the financial and operational performance to deliver long term value to shareholders?**

Q3. The group's internal audit function in FY2021 was outsourced to Nexia TS Risk Advisory Pte. Ltd.. The internal auditor (IA) reports directly to the chairman of the audit and risk committee (ARC) on audit matters and the CEO on administrative matters.

The ARC approves the hiring, removal, evaluation and compensation of the internal audit function. The IA has unfettered access to all the Company's documents, records, properties and personnel, including access to the ARC. The ARC is satisfied that the internal audit function is adequately resourced and has appropriate standing within the company. The internal audit function is also adequately staffed with persons with the relevant qualifications and experience.

- (i) **What was the scope of the internal audit in 2021?**
- (ii) **Can the ARC confirm that the operating subsidiaries in other countries were included in the internal audit?**
- (iii) **Given the closure of national borders, was the scope and the effectiveness of the IA affected?**
- (iv) **What were the key findings and the recommendations by the internal auditor?**

^On 1 October 2020, the Accounting and Corporate Regulatory Authority (“ACRA”), the Monetary Authority of Singapore (“MAS”) and Singapore Exchange Regulation (“SGX RegCo”) published an updated checklist to guide listed entities on the conduct of general meetings arising from the latest updates from the Multi-Ministry Taskforce.

Issuers may continue to conduct their general meetings held on or before 30 June 2021 via electronic means, and are encouraged to do so. On 9 April 2021, it was announced that the alternate arrangements for meetings (“Meetings Order”) would be extend beyond 30 June 2021 until it is revoked or amended by the Ministry of Law. Accordingly, until such time, issuers may continue to utilise the Checklist issued by ACRA, MAS and SGX RegCo to guide entities on the conduct of their general meetings.

Issuers who, after due consideration of public health and other risks, wish to provide for physical attendance at their general meetings must ensure that they implement all relevant measures to comply with the safe management measures imposed by the Singapore Government.

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Can’t attend the AGM or view the webcast? Check out the latest questions on the annual reports of listed companies on [SIAS website](http://www.sias.org.sg)

Join our mailing list [here](#) to receive latest news and upcoming events.

CONNECT WITH US



[^] Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation
(<https://www.sgx.com/media-centre/20201001-guidance-conduct-general-meetings-amid-evolving-covid-19-situation>)