

NERA
Ennoconn Tech. Group

ANNUAL REPORT 2025



**GENERATING SOLUTIONS
FOR A SMART FUTURE**

TABLE OF CONTENTS

01 | GENERATING SOLUTIONS FOR A SMART FUTURE

02 | CHAIRMAN STATEMENT

04 | GEOGRAPHICAL PRESENCE

05 | CORPORATE INFORMATION

06 | BOARD OF DIRECTORS

08 | GROUP MANAGEMENT TEAM

09 | BUSINESS LINES

11 | FINANCIAL HIGHLIGHTS

12 | SUSTAINABILITY REPORT

45 | CORPORATE GOVERNANCE REPORT

75 | FINANCIAL STATEMENTS

147 | STATISTICS OF SHAREHOLDINGS

149 | NOTICE OF ANNUAL GENERAL MEETING

154 | ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

CHAIRMAN STATEMENT



Dear Shareholders,

On behalf of the Board of Directors (“the Board”), it is my privilege to present the Annual Report and Financial Statements of Nera Telecommunications Ltd (“NeraTel” or the “Group”) for the year ended 31 December 2025 (“FY2025”). This year represents a meaningful inflection point in the Group’s transformation journey as we embarked on initiatives to strengthen our foundation for long-term growth.

During the year, we successfully restored positive EBITDA and profit before tax, strengthened our balance sheet to a net cash position, and executed decisive cost optimisation initiatives that have structurally improved our operating leverage. Going forward, we are confident that we have a more resilient business, which will drive stronger financial performance and position us for sustainable value creation.

FINANCIAL HIGHLIGHTS

NeraTel was pleased to have achieved a return to profit before tax (“PBT”) in FY2025. Following decisive cost rationalisation and an improved operating performance in the second half of 2025 (“2H2025”), the Group delivered a positive EBITDA of \$2.8 million in FY2025, as compared to a negative EBITDA of \$1.1 million the year before.

Full-year revenue for FY2025 rose 2.0% to \$100.2 million (FY2024: \$98.2 million), from higher contributions from Singapore and Malaysia, partially offset by lower revenue from Indonesia. In line with stable operating performance, the Group entered the second half of FY2025 with stronger momentum, delivering a 9.0% year-on-year increase in 2H2025 revenue to \$55.5 million (2H2024: \$50.9 million). The growth was supported by a steady 8.4% increase in the Network Infrastructure (“NI”) segment in 2H2025 and an improved performance in the Wireless Infrastructure Network (“WIN”) segment, which posted 11.1% year-on-year revenue growth in the same period.

Disciplined cost management and organisational streamlining have contributed to a 32.9% reduction in operating expenses in 2H2025 and a 26.8% reduction for the full year. Our leaner operating structure, together with lower financing costs from reduced borrowings, have contributed to a marked improvement in operating performance.

As a result, the Group achieved a turnaround to PBT of \$1.8 million in 2H2025 (2H2024: -\$5.0 million) and delivered positive EBITDA of \$2.8 million for FY2025 (FY2024: -\$1.1 million). Looking ahead, the Group expects the structurally lower cost base established during the year to enhance operating leverage and margin resilience in the financial year ended 31 December 2026 (“FY2026”).

While EBITDA and PBT turned positive, the Group recorded a net loss of \$3.0 million in FY2025 mainly due to a higher tax expense of \$3.1 million. This was attributable to increased taxable profits contributed from Singapore and Malaysia, as well as the write-off of deferred tax assets in Indonesia.

Importantly, the Group generated positive operating cash flow of \$3.9 million and reduced bank loans and trade facilities by \$6.1 million. With cash reserves of \$10.2 million and lower borrowings, the Group was able to strengthen its balance sheet and ended FY2025 in a net cash position of \$7.2 million.

STRONG ORDER BOOK PROVIDES EARNINGS VISIBILITY

NeraTel’s order intake for FY2025 was \$96.2 million. The Group closed FY2025 with a strong order backlog of \$104.5 million, providing solid revenue visibility as we enter FY2026.

We continue to execute on three strategic projects secured in FY2025, in line with our efforts to provide services that reinforce the Group’s position as a comprehensive solutions provider.

In June 2025, the Group was awarded a \$30.0 million frame contract renewal from a leading Southeast Asian service provider, including a five-year managed services component covering operations, maintenance, and network performance monitoring across more than 100 sites.

In January 2026, the Group secured agreements worth over \$15.0 million from two Southeast Asian service providers, covering smart services training, site deployments, managed services and Network Operations Centre (“NOC”) support.

The following month, in February 2026, the Group secured a three-year cybersecurity contract worth \$2.4 million from an institutional asset management group, providing 24/7 Security Operations (“SOC”) support, Security Information and Event Management (“SIEM”) and security operations platform management services.

CHAIRMAN STATEMENT

These contract wins not only contribute to our revenue visibility and pipeline strength but also underscore our ability to drive continual innovation and our proven track record in providing value-added services to customers.

BUILDING A SOLID FOUNDATION FOR SUSTAINABLE VALUE CREATION

Building on the momentum achieved in 2H2025, the Group is focused on intensifying its efforts to broaden and deepen its existing customer relationships, leveraging cross-selling opportunities across infrastructure, cybersecurity and managed services solutions. At the same time, targeted efforts to acquire new customers across the Government, Transport and Utilities (“GTU”), Enterprise (“ENT”), and Service Provider (“SP”) sectors remain a priority.

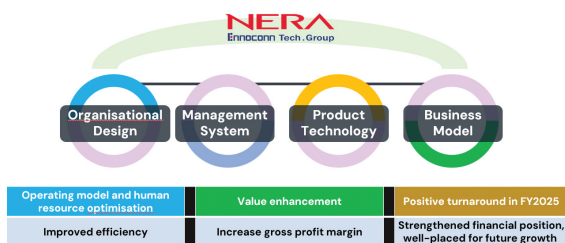
Strategically, the Group continues to fortify its core competencies in connectivity and cybersecurity while expanding higher-margin recurring offerings, particularly managed services, including SOC and NOC capabilities.

With a more efficient cost base, a resilient order backlog and an expanding pipeline of recurring managed services, the Group is well positioned to strengthen its footing as a key player in the rapidly evolving digital transformation landscape and deliver long-term value to shareholders.

ACCELERATING OUR TRANSFORMATION EFFORTS WITH BACKING FROM ENNOCONN CORPORATION

Following the acquisition of a majority stake by Ennoconn Corporation in 2024, our strategic transformation with our major shareholder continues to gain traction, positioning us to unlock long-term growth opportunities in high demand areas such as smart buildings, smart retail, Artificial Intelligence of Things, and managed services. We will continue to leverage both parties’ synergistic capabilities to deepen our regional presence within Southeast Asia, while enhancing our expertise with support from their wider network.

With Ennoconn’s backing, the Group was able to advance meaningfully along its transformation journey.



The Group will also focus on harmonising our combined expertise across our regional operations to deliver consistent service excellence and operational standards across markets. This approach seeks to enhance scalability and enables the Group to deliver high-impact solutions tailored to local customer needs.

OUTLOOK

As we look ahead to 2026, we are confident that we now have a stronger and more resilient business that is well-positioned for long-term growth. We remain steadfast in our commitment to deliver end-to-end digital solutions to our customers which connect people and empower businesses.

We are also committed to continuing to invest in innovation and in adopting more environmentally friendly practices to reduce our carbon footprint and advance towards our sustainability goals.

Amid a volatile and uncertain macroeconomic environment, we will continue to exercise prudent capital management and disciplined cost controls, which will allow us to streamline our operations and increase efficiency across the organisation. We will also leverage our strengths, capabilities and long-standing relationships to deliver high-quality, tailored solutions that meet our customers’ needs.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to thank all our customers, business partners and suppliers for your strong support over the years.

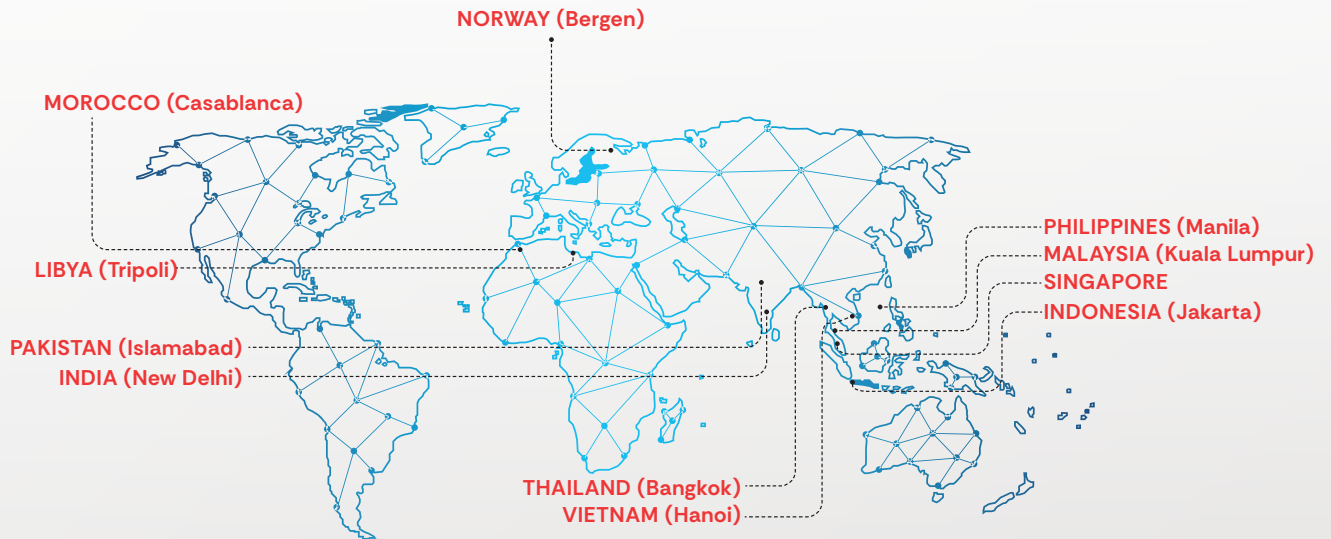
I would also like to extend our sincere gratitude to all NeraTel employees or “Nerators” for your hard work and contributions to the company over the past year. We are heartened by your dedication and commitment to the company’s success.

I would also like to thank my fellow Board of Directors for their invaluable counsel and guidance throughout the year. The strategic oversight and wisdom of the Board have been instrumental in charting the way forward for the Group to achieve long-term growth and value creation.

Last but not least, I would like to express my appreciation to all our valued shareholders for their unwavering trust and continued faith in NeraTel’s long-term vision. The Group remains committed to building an innovative and resilient company that is well positioned to seize new opportunities in the digital age and create enduring value for customers.

MR CHU FU-CHUAN (STEVE CHU)
Executive Chairman

GEOGRAPHICAL PRESENCE



NAME OF NERA TELECOMMUNICATIONS LTD SUBSIDIARY COMPANIES

- Nera Networks (S) Pte. Ltd., Singapore
- Nera (Malaysia) Sdn. Bhd., Malaysia
- Nera Infocom (M) Sdn. Bhd., Malaysia
- P.T. Nera Indonesia, Indonesia
- Nera (Thailand) Limited, Thailand
- Nera (Philippines), Inc., Philippines
- Nera Telecommunications (India) Pvt. Ltd., India
- Nera Telecommunications (Vietnam) Co. Ltd., Vietnam
- Nera Telecommunications (Vietnam) Co. Ltd. – Ho Chi Minh City Branch, Vietnam

SUBSIDIARIES OF NERA NETWORKS (S) PTE LTD

- Nera Telecommunications AS, Norway
- Nera Telecommunications AS, Libya Branch, Libya
- Nera Telecommunications Maroc S.A.R.L AU, Morocco
- Nera Telecommunications (Pakistan) (Private) Limited, Pakistan
- Nera Telecommunications Holding (Thailand) Co. Ltd

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr Chu Fu-Chuan (Steve Chu)*
Mr Yu Ling-Hsiao (Eric Yu)**
Mr Basil Chan***
Mr Raymond Lum Wai Meng****
Ms Jenny Teng Mui Keow****
Mr Wang Yung-Hsiang (Andy Wang)*****

* *Executive Chairman and Executive Director*

** *Senior Vice President, Business Development and Executive Director*

*** *Lead Independent Non-Executive Director*

**** *Independent Non-Executive Director*

***** *Non-Independent Non-Executive Director*

AUDIT AND RISK MANAGEMENT COMMITTEE

Mr Basil Chan, Chairman
Mr Raymond Lum Wai Meng
Ms Jenny Teng Mui Keow
Mr Wang Yung-Hsiang (Andy Wang)

REMUNERATION COMMITTEE

Mr Basil Chan, Chairman
Mr Raymond Lum Wai Meng
Ms Jenny Teng Mui Keow

NOMINATING COMMITTEE

Mr Raymond Lum Wai Meng, Chairman
Mr Basil Chan
Mr Yu Ling-Hsiao (Eric Yu)

COMPANY SECRETARY

Ms Gn Jong Yuh Gwendolyn

REGISTERED OFFICE

19 Tai Seng Avenue #06-01
Singapore 534054
Tel: (65) 6233 2433
Fax: (65) 6233 2466

REGISTRARS AND SHARE TRANSFER OFFICE

Boardroom Corporate & Advisory Services Pte Ltd
1 Harbourfront Avenue #14-07
Keppel Bay Tower
Singapore 098632
Tel: +65 6536 5355

AUDITORS

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583
Partner-in-charge: Ms Tee Huey Yenn
(appointed with effect from 31 December 2025)

PRINCIPAL BANKERS

DBS Bank Ltd
The Hong Kong and Shanghai Banking Corporation
Limited
RHB Bank Berhad
Hong Leong Bank Berhad

INVESTOR RELATIONS ADVISOR

Citigate Dewe Rogerson Singapore Pte Ltd (CDR)
158 Cecil Street #05-01
Singapore 069545
Tel: (65) 6534 5122
Email: NeraTel@cdrconsultancy.com

BOARD OF DIRECTORS



MR CHU FU-CHUAN (STEVE CHU)

- Executive Chairman since 8 April 2025
- Executive Director since 8 April 2025
- Last re-elected on 29 April 2025

Mr Chu Fu-Chuan, also known as Mr Steve Chu, is the Chairman and CEO of Ennoconn Corp, a global leader in integrated AIoT solution services, cloud management services, and edge computing technology, which is listed on the Taiwan Stock Exchange (TWSE).

A seasoned executive with extensive experience in the IoT technology and manufacturing sectors, Mr Chu is also a Board Director on the Management Board of Marketech International Corp (MIC) and serves as Chairman of CASwell Inc, AIS Cayman Technology Group, Dexatek Technology Ltd, PosLAB Technology Corp, Ennoconn International Investment Co Ltd, and Ennoconn Investment Holdings Co Ltd. He also serves as Deputy Chairman and Board Director of German-based Kontron AG, which is listed on the Frankfurt Stock Exchange.

Prior to joining Ennoconn, Mr Chu held various leadership roles in prominent technology firms, including Taiwanese multinational, Foxconn Technology Co Ltd and LIGITEK Electronics Co Ltd, where he honed his skills in product development, operational management, and corporate strategy.

Mr Chu holds a Bachelor's degree in Electronic Engineering from St John's and St Mary's Institute of Technology, Taiwan.



MR YU LING-HSIAO (ERIC YU)

- Executive Director since 1 July 2025
- Senior Vice President, Business Development since 1 July 2025
- Member, Nominating Committee since 28 October 2024
- Last re-elected on 29 April 2025

Mr Yu Ling-Hsiao, also known as Mr Eric Yu, is the Founder and President of Vecow Co Ltd, a leading embedded systems solutions provider. With over 20 years of experience in the technology and industrial sectors, he has a strong background in sales, corporate strategy and financial planning, and is well-versed in the EMEA and Russian markets.

In addition to serving as Board Director of Vecow Co Ltd, he also sits on the Boards of US-based Array Networks and American Industrial Systems Inc (AIS), a networking hardware company offering advanced security solutions, and a leading technology solutions provider respectively.

Prior to founding Vecow Co Ltd, he held various key appointments in technology companies, including at VIA Technologies Inc, a leading AI solutions provider, surveillance and security system integrator Everpark Co Ltd, embedded and automation solutions provider Advantech Co Ltd, and ADLINK Technology Inc, an edge computing and IoT solutions company.

He holds a Master's and Bachelor's Degree in Civil Engineering from National Taiwan University.



MR BASIL CHAN

- Lead Independent Non-Executive Director since 28 October 2024
- Independent Director since 18 March 2020
- Chairman, Audit and Risk Management Committee since 18 March 2020
- Member, Nominating Committee since 28 February 2022
- Chairman, Remuneration Committee since 28 October 2024
- Last re-elected on 29 April 2025

Mr Basil Chan is the Founder and Managing Director of MBE Corporate Advisory Pte Ltd. With more than 40 years of audit, financial and general management experience, he has held senior financial positions in both private and listed companies. Mr Chan serves on the Boards of two other publicly listed companies on the Singapore Stock Exchange. In addition to serving as Lead Independent Director on the Board of Nera Telecommunications Ltd, he is also the Non-Executive Non-Independent Chairman of Grand Banks Yachts Ltd and the Lead Independent Non-Executive Director of Broadway Industrial Group Ltd. He also previously sat on the Boards of AEM Holdings and Memories Group Ltd in the past three years.

Mr Chan was a Council Member and Board Director of the Singapore Institute of Directors (SID) from 2002 to 2013 and was formerly a member of SID's Audit Committee Chapter. He was also previously a member of the Corporate Governance Committee in 2001 that developed the Singapore Code, and served in the Audit and Assurance Standards and Corporate Governance Committees of the Institute of Singapore Chartered Accountants (ISCA). Prior to this, he served in the Accounting Standards Committee of ISCA's predecessor, the Institute of Certified Public Accountants of Singapore (ICPAS). He has since been re-appointed as member on the Audit and Assurance Standards Committee of ISCA.

He holds a Bachelor of Science (Economics) Honours degree majoring in Business Administration from the University of Wales Institute of Science and Technology, United Kingdom and is a Fellow Member of the Institute of Chartered Accountants in England and Wales, as well as a Fellow Member of ISCA. He is a Fellow Member of the Singapore Institute of Directors and is a Senior Accredited Board Director.

BOARD OF DIRECTORS



MR RAYMOND LUM WAI MENG

- Independent Non-Executive Director since 28 October 2024
- Member, Audit and Risk Management Committee since 28 October 2024
- Chairman, Nominating Committee since 28 October 2024
- Member, Remuneration Committee since 1 July 2025
- Last re-elected on 29 April 2025

Mr Raymond Lum Wai Meng is the Group CEO of Rajah & Tann Technologies. With more than 28 years of experience in operations and management within the technology and engineering industries, he has led efforts in cybersecurity, digital forensics, digital risk management, digital transformation, mergers & acquisitions, corporate planning, operations, and international business expansion.

Prior to joining Rajah & Tann Technologies, he held various management roles in both private and publicly-listed companies, corporate finance advisory firms, and government-related organisations.

A Senior Member of the Institution of Engineers Singapore and a Senior Accredited Director at the Singapore Institute of Directors (SID), Mr Lum is also a Fellow Chartered Accountant at the Institute of Singapore Chartered Accountants (ISCA) and a Chartered Accountant with the Institute of Chartered Accountants in England and Wales.

He has a Master of Business Administration from Nanyang Technological University (Singapore), a Master of Science in Applied Finance from Singapore Management University, and a Bachelor of Engineering (Honours) from the National University of Singapore.



MS JENNY TENG MUI KEOW

- Independent Non-Executive Director since 28 October 2024
- Member, Audit and Risk Management Committee since 28 October 2024
- Member, Remuneration Committee since 28 October 2024
- Last re-elected on 29 April 2025

Ms Jenny Teng Mui Keow brings to the Board over 30 years of senior management and leadership experience in quality management, operational excellence, risk oversight, and corporate governance, acquired primarily within a leading Japanese multinational enterprise.

She has held senior leadership and director-level roles across supplier governance, product safety, and enterprise quality systems. From 2011 to 2020, she served as Director of Toshiba TEC Singapore, where she provided strategic oversight of business operations and played a key role in strengthening operational efficiency, quality performance, and governance frameworks.

Ms Teng has extensive experience working with regulatory, certification, and assurance bodies, having previously served as a council member of TÜV Rheinland Singapore and Underwriters Laboratories. In these roles, she contributed to governance oversight, compliance practices, and risk management standards across regulated industries.

She is a Six Sigma Master Black Belt Professional and holds a Master of Science in Quality Management from the University of Portsmouth. She has completed the Executive Diploma and Certification in Directorship (SID-SMU), the Listed Company Directors Programme, and the Directors' Financial Reporting Essentials course conducted by the Singapore Institute of Directors and the Institute of Singapore Chartered Accountants. She is also a certified Lead Assessor for ISO 9000 Quality Management Systems and ISO 14000 Environmental Management Systems.

Ms Teng is a member of the Singapore Institute of Directors, reflecting her continued commitment to high standards of corporate governance, fiduciary responsibility, and board effectiveness.



MR WANG YUNG-HSIANG (ANDY WANG)

- Non-Independent Non-Executive Director since 1 July 2025
- Member, Audit and Risk Management Committee since 1 July 2025

Mr Wang Yung-Hsiang also known as Andy Wang is a seasoned executive with over 30 years of leadership experience in the automotive, electronics, and high-tech industries. He currently serves as Founding Partner and CEO of PHI Capital, a private equity firm managing over US\$400 million in assets. PHI Capital focuses on investments across various core verticals: semiconductors, automotive, smart city and Smart platforms, energy management systems, and AI / high-performance computing. The firm works closely with leading technology and financial co-investors to accelerate value creation.

Mr Wang also serves as Chairman of Chao Long Automotive Group, a leading supplier of automotive electronics and smart vehicle systems. With over five decades of operation history, Chao Long supports the mobility eco-system globally and maintains long-standing partnerships with OEMs including Toyota, Yamaha, Mitsubishi, Ford, and Honda. The company has a strong footprint across Taiwan, Southeast Asia, and other key global automotive markets.

Mr Wang is also actively involved in Taiwan's business community. He currently serves as a board director of MAPECT (Taiwan Mergers & Acquisitions and Private Equity Council), TIHA (Taiwan Industrial Holding Association) and TTIA (Taiwan Telematics Industry Association), contributing to the development of Taiwan's private equity, M&A, and smart mobility sectors.

Prior to his current roles, Mr Wang was Managing Director of Asia Pacific at Delphi Automotive Corp, where he led regional expansion across China, Japan, South Korea, and Southeast Asia. He oversaw the establishment of R&D and manufacturing centres and played a key role in M&A initiatives.

Before joining Delphi, Mr Wang served as President of Speedtech Corporation, where he led the company through its IPO on the Taiwan Stock Exchange and executed the strategic acquisition. Earlier in his career, he also held senior roles at global technology companies including Molex and Foxconn.

Mr Wang holds a Master's Degree in Business Management from the University of Management and Technology, and a Bachelor's Degree in Electrical Engineering from St John's University.

GROUP MANAGEMENT TEAM

MR DON TAN is the Senior Vice President, Group Sales, and is responsible for leading and growing the Group's overall sales. With over 20 years of dynamic leadership experience, Mr Tan has a proven track record in driving business growth and market expansion across the APAC region. His professional journey reflects a deep commitment to spearheading innovative sales strategies to scale operations, fostering long-term client relationships, and leading high-performance teams, whilst delivering exceptional outcomes across cybersecurity, cloud, and networking domains. Prior to joining Nera, he held senior leadership roles in leading technology companies including Appdome Inc, Lookout Inc, Avast Software, Pulse Secure LLC, BlueCat Networks and Systex Corporation. Mr Tan holds a Bachelor of Science degree in Computer Science from the University of Portsmouth.

MR MARTIN WONG is the Financial Controller, overseeing the Group's finance and accounting functions, including financial reporting and planning, treasury management, audit and taxation. He brings over a decade of professional experience, including serving as an auditor with an international accounting firm, and holding finance roles in several Singapore-listed companies and a large local enterprise. He holds a Master of Professional Accounting ("MPA") from Murdoch University and is a member of the Association of Chartered Certified Accountants ("ACCA").

MR BRIAN QUAH is the Assistant Vice President of Group Solutions, spearheading strategic initiatives that harness technology to accelerate business transformation. With more than 30 years of experience in the technology industry, he brings extensive expertise in Internet of Things ("IoT") and Cybersecurity, driving innovation, resilience, and operational excellence across complex environments. Throughout his career, Mr Quah has held leadership roles that shaped enterprise IT strategies and delivered large-scale digital transformational projects. At HPE Consulting Services, he focused on Digital Workspace, Cloud, AI, and Cybersecurity, playing a pivotal role in enabling clients across the Asia-Pacific region to build secure, scalable, and future-ready digital ecosystems. His leadership is marked by a strong emphasis on aligning technology with business objectives, fostering innovation, and ensuring sustainable value creation. He holds a Bachelor of Applied Science in Computer Science from the Royal Melbourne Institute of Technology (RMIT), Australia.

MS ELLEN TAN is the Vice President of Group Human Resources. She serves as a strategic partner to the leadership team, driving people and talent strategies that align with business priorities. She is responsible for the development and execution of HR strategies that enable the Group's growth and transformation, spanning workforce planning, talent development, employee engagement, and organisational change initiatives. With over 25 years of HR experience, Ms Tan has held leadership roles across local enterprises, conglomerates, and global MNCs. She brings with her a well-grounded knowledge of Human Capital functions and has been instrumental in guiding organisations through significant transformation journeys, including those involving joint ventures and mergers and acquisitions. She holds a Degree in Management Technology, with a Major in Human Resources from the University of Technology Malaysia. Her professional development includes internationally recognised certifications in employee empowerment training and advanced personnel profiling, equipping her with the requisite skills to drive both capability building and talent insights.

MS PRISCILLA CHONG is the Assistant Vice President of Corporate Communications and Marketing, and is responsible for shaping and executing the Group's communication and branding strategy. She oversees both corporate and marketing initiatives, crafting narratives that strengthen the company's reputation, enhance stakeholder engagement, and build meaningful connections across traditional and social media platforms. She also leads initiatives that highlight the Group's commitment to sustainability and corporate social responsibility, ensuring these values are embedded in its brand voice and aligned with the Group's strategic goals. With over a decade of experience spanning a listed Singapore conglomerate and a tech start-up, she brings a strong foundation in corporate communications combined with the agility of an entrepreneurial environment. She completed her undergraduate studies at Monash University, Australia.

MS GRACE CHUNG is Legal Counsel leading the Legal department and overseeing all legal and compliance matters across the Group. In her role, she provides strategic counsel on regulatory, governance and risk management issues, while ensuring that the Group operates with integrity and in compliance with evolving legal and regulatory frameworks. With more than 15 years of experience in the legal industry, Ms Chung has held positions in private practice, public service and as in-house counsel. Her expertise spans corporate, commercial and litigation matters across diverse industries including telecommunications, tertiary education and research, chemical and life sciences, property development and public service sectors. She has played a key role in supporting complex transactions, managing cross-border regulatory requirements and driving robust compliance frameworks. She holds a Bachelor of Laws (Honours) from the University of Nottingham, U.K., and a Postgraduate Certificate in Laws from the University of Hong Kong. She is admitted as a Solicitor in Hong Kong (2009) and to the Singapore Bar (2023). In addition, she is a Certified Information Privacy Professional/Europe (CIPP/E), Certified Information Privacy Manager (CIPM), and Certified Information Privacy Professional/Asia (CIPP/A).

BUSINESS LINES

Following the acquisition of a majority stake by Ennoconn Corporation in 2024, the Group's strategic transformation continues to gain traction, strengthening our positioning to capture long-term growth opportunities in high-demand areas such as smart buildings, smart retail, and managed services.

In line with our strategic priorities, the Group remains focused on fortifying its core competencies in connectivity and cybersecurity, which underpin our business and long-standing customer relationships. At the same time, we are progressively expanding higher-margin, recurring revenue streams, particularly in managed services and AI-enabled solutions, including Security Operations Centre ("SOC") and Network Operations Centre ("NOC") capabilities.

Leveraging our established presence across Asia Pacific ("APAC"), and Europe, the Middle East and Africa ("EMEA") we continue to deliver scalable, locally relevant solutions to a diversified customer base. We are also optimising our regional footprint, strengthening our presence in markets with the greatest opportunities, while enhancing our technical capabilities through access to broader networks and expertise.

In parallel, the Group is harmonising capabilities across its regional operations to deliver consistent service standards and operational excellence. This approach enhances scalability and supports the delivery of high-impact solutions tailored to local market requirements, as we continue to develop solutions for a smarter, more connected future.

Our solutions portfolio is organised across five key business lines:

1. AIoT (Artificial Intelligence of Things)

AIoT remains a key growth pillar for the Group, integrating Artificial Intelligence ("AI") and Internet of Things ("IoT") technologies to enable smarter, more connected environments. Key offerings include:

- **Sustainable Buildings:** Delivering intelligent, energy-efficient building solutions that optimise performance, enhance occupant experience, and support sustainability goals.
- **Smart Retail:** Enabling retailers to harness technology to create personalised, immersive customer experiences that drive sales and operational efficiency.

- **Smart Devices and Embedded Systems:** Developing intelligent edge devices and embedded platforms that enable real-time data processing, automation, and seamless system integration.

2. Cloud & Hybrid Cloud Solutions

Our cloud capabilities support customers in modernising their infrastructure with greater flexibility, resilience, and security. Key offerings include:

- **Private and Hybrid Cloud Architectures:** Designing secure and scalable cloud environments tailored to business and regulatory requirements.
- **Cloud Infrastructure and Virtualisation:** Providing resilient, high-performance infrastructure that enhances flexibility and optimises resource utilisation.
- **Cloud Migration and Integration:** Supporting seamless transition of applications and workloads to the cloud with minimal disruption.
- **Edge-to-Cloud Enablement:** Facilitating integrated data flow between edge devices and centralised cloud platforms.
- **Data Resilience and Business Continuity:** Ensuring robust data protection, backup and recovery capabilities to support uninterrupted operations.
- **Cloud Security and Governance:** Strengthening cloud environments through comprehensive security frameworks and compliance controls.

3. Connectivity

Connectivity remains a core pillar of the Group, forming the backbone of digital transformation initiatives. Our capabilities include:

- **Microwave Transmission Networks:** Providing high-capacity wireless communication for long-range and remote connectivity.
- **Optical Networks:** Delivering high-speed, high-bandwidth fibre infrastructure for mission-critical applications.
- **Wired & Wireless Networking:** Designing and deploying wired and wireless networks to ensure seamless connectivity across enterprises and urban developments.
- **Carrier Networking:** Supporting service providers with robust, telecom-grade solutions for network expansion.

BUSINESS LINES

4. Cybersecurity

As cyber threats grow in scale and sophistication, the Group delivers end-to-end cybersecurity solutions to safeguard critical infrastructure and digital assets. Our offerings include:

- **Smart Security Consulting Services:** Advising on risk, strategy and compliance to strengthen overall security posture.
- **Smart Security Design and Implementation:** Deploying integrated security solutions to protect critical systems and infrastructure.
- **Smart Managed Security Services:** Providing continuous monitoring, threat detection and incident response through managed security operations, including SOC capabilities.

5. Technology Services

The Group continues to expand its recurring service offerings to support long-term customer engagement and operational resilience. Key areas include:

- **Infrastructure and Lifecycle Services:** Managing the full lifecycle of IT and network infrastructure, from deployment to maintenance and optimisation.
- **Managed Services:** Delivering end-to-end management of IT and network environments to enhance performance, reliability and cost efficiency.

- **SOC and NOC:** Providing 24/7 monitoring and management of security and network operations to ensure system availability, performance and resilience.

These capabilities provide proactive monitoring, optimisation and management of IT and network environments supporting customers' evolving operational requirements.

Together, the Group's five business lines deliver secure connectivity, intelligent platforms and managed services that help customers operate smarter, scale faster and manage risk with confidence.

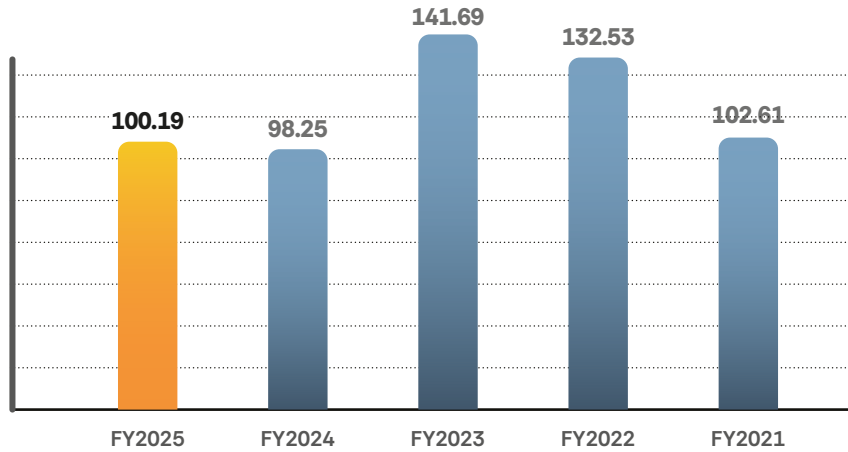
Through the continued strengthening of our core capabilities and disciplined expansion into higher-value, recurring service models, the Group is well positioned to support customers in their digital transformation journeys.

We remain committed to generating solutions that enable a smarter, more connected future, while delivering sustainable value over the long term.

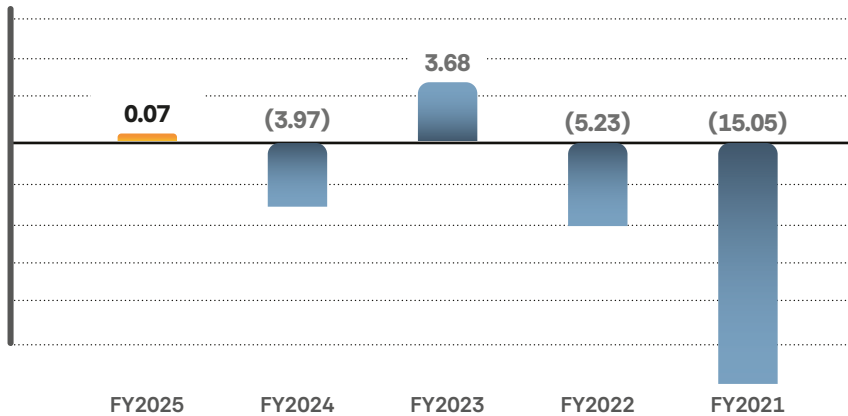


FINANCIAL HIGHLIGHTS

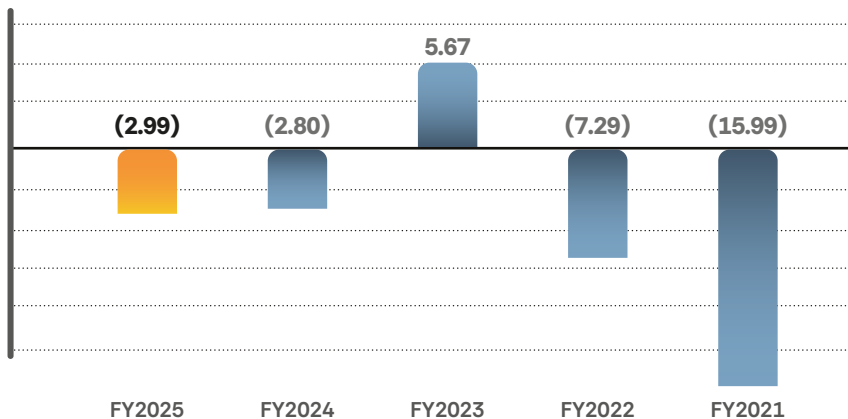
REVENUE (\$M)



PROFIT/(LOSS) BEFORE TAX (\$M)



PROFIT/(LOSS) AFTER TAX (\$M)



SUSTAINABILITY REPORT

BOARD STATEMENT

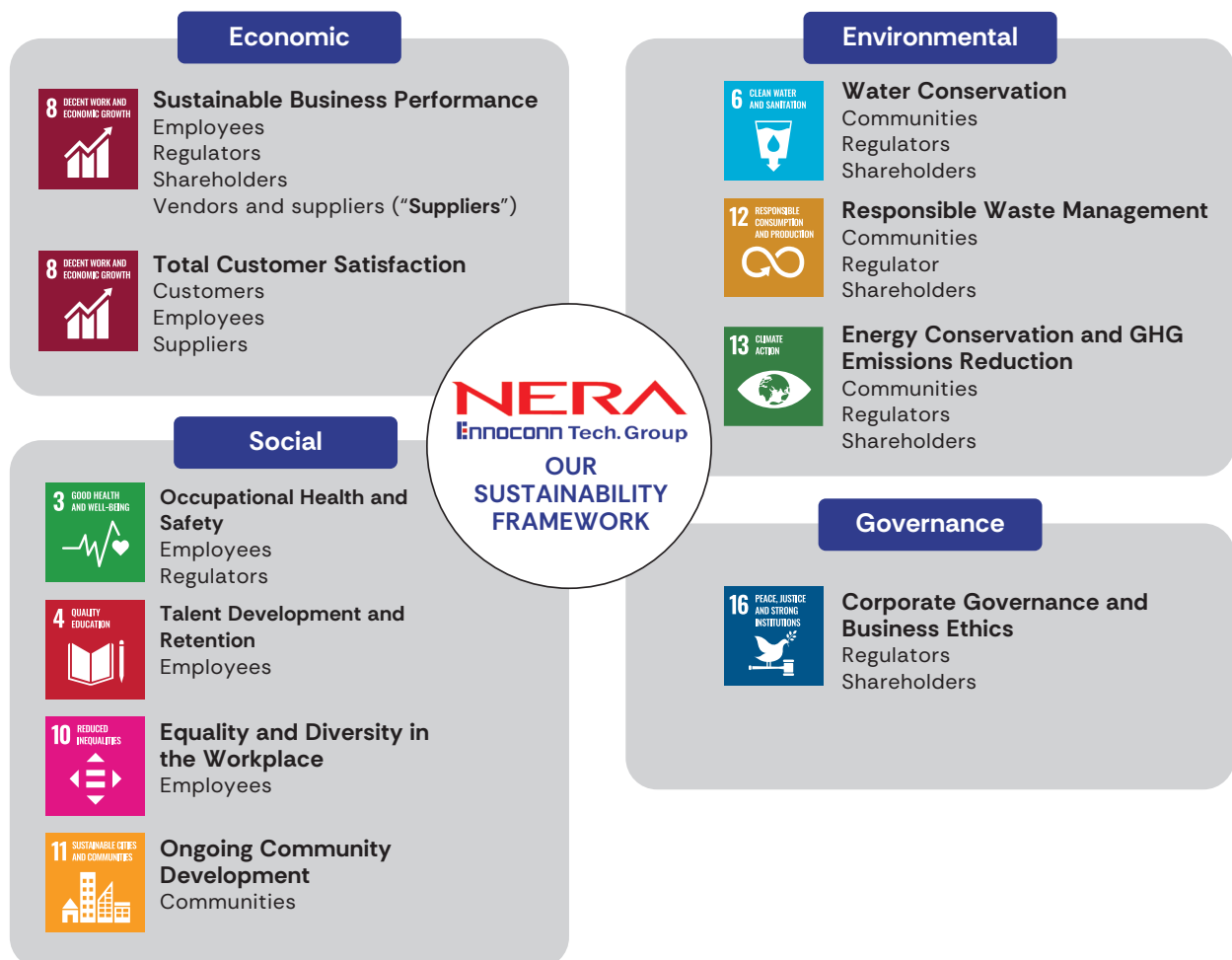
Nera Telecommunications Ltd (“NeraTel” or the “Company”, and together with its subsidiaries, the “Group” or “We”) reaffirms our commitment to sustainability with the publication of our Sustainability Report (“Report”). For this Report, we provide insights into the way we conduct business, whilst considering our material sustainability factors under the sustainability pillars of economic, environmental, social and governance (collectively as “Sustainability Factors”).

The Board of Directors (“Board”) of the Group, having considered the Group’s sustainability issues as part of its strategic formulation and business strategies, determined the material Sustainability Factors and oversaw their management and monitoring.

This Report communicates our commitment towards supporting the United Nations’ Sustainable Development Goals (“SDGs”) and is supported by our key stakeholders. We work closely with key stakeholders across our value chain, and their inputs are considered in driving our material Sustainability Factors towards the SDGs as follows:

Vision and Mission

To cultivate a sustainable, profitable and predictable enterprise that fosters the growth and fulfilment of our team, whilst delighting our stakeholders, driving innovation and forging enduring partnerships with integrity and respect, customer-centricity, unwavering passion, collaborative synergy, professional excellence and unparalleled quality.



SUSTAINABILITY REPORT

SUSTAINABILITY PERFORMANCE AT A GLANCE

A summary of our material sustainability performance in financial year (“FY”) 2025 (“FY2025” or “Reporting Period”) is as follows:

Sustainability Pillar	Sustainability Metric	Unit of Measurement	Sustainability Performance FY2025 ¹
Economic	Economic value generated ²	\$million	100.3
	Operating costs ³	\$million	78.4
	Employee benefit expenses ⁴	\$million	19.0
	Payments to providers of capital ⁵	\$million	0.2
	Taxes to government	\$million	0.6
	Market standards adopted	Number	Relevant market standards have been adopted in our operations ⁶
Environmental	Water consumption intensity	m ³ /employee	5
	Incidents of non-compliance with applicable waste disposal-related environmental laws and regulations that resulted in significant fines or non-monetary sanctions	Number	–
	Aggregated absolute Scope 1 and 2 greenhouse gas (“GHG”) emissions	tCO ₂ e	4,399
	GHG emissions intensity	tCO ₂ e/employee	16
Social	Workplace fatalities	Number	–
	High consequence work-related injuries ⁷	Number	–
	Recordable work-related injuries	Number	–
	Recordable work-related ill-health cases ⁸	Number	–
	Average training hours	Hours/employee	12
	Incidents of unlawful discrimination against employees ⁹	Number	–
Governance	Incidents of serious offence ¹⁰	Number	–
	Incidents of non-compliance with any applicable laws and regulations ¹¹ that resulted in significant fines or non-monetary sanctions	Number	–

1 No comparative data is disclosed as we expanded the scope of coverage to cover all consolidated entities, as disclosed in our audited financial statements for FY2025, in the current year. As the comparative data was not tracked previously, it was not disclosed.

2 Economic value generated includes revenue, other income and interest income net of government grant.

3 Operating costs include cost of sales, distribution expenses, other expenses, net of impairment losses, loss on foreign exchange rates, property, plant and equipment written off, depreciation and amortisation and employee-related costs.

4 Employee benefits expenses include salaries and benefits expenses such as contribution to provident funds and defined benefit plans.

5 Payments to providers of capital include payments made to providers of financing and dividends paid to shareholders (if any).

6 The market standards adopted and certifications attained by NeraTel to maintain customer experience include ISO 9001, ISO 20000, ISO 27001 and Cyber Trust.

7 A high consequence work-related injury refers to an injury from which the worker cannot recover or cannot recover fully to pre-injury health status within six (6) months.

8 A work-related ill health case refers to a case with negative impacts on health arising from exposure to hazards at work.

9 An incident of unlawful discrimination refers to an incident of discrimination whereby the relevant authority has commenced investigation and resulted in a penalty to a company.

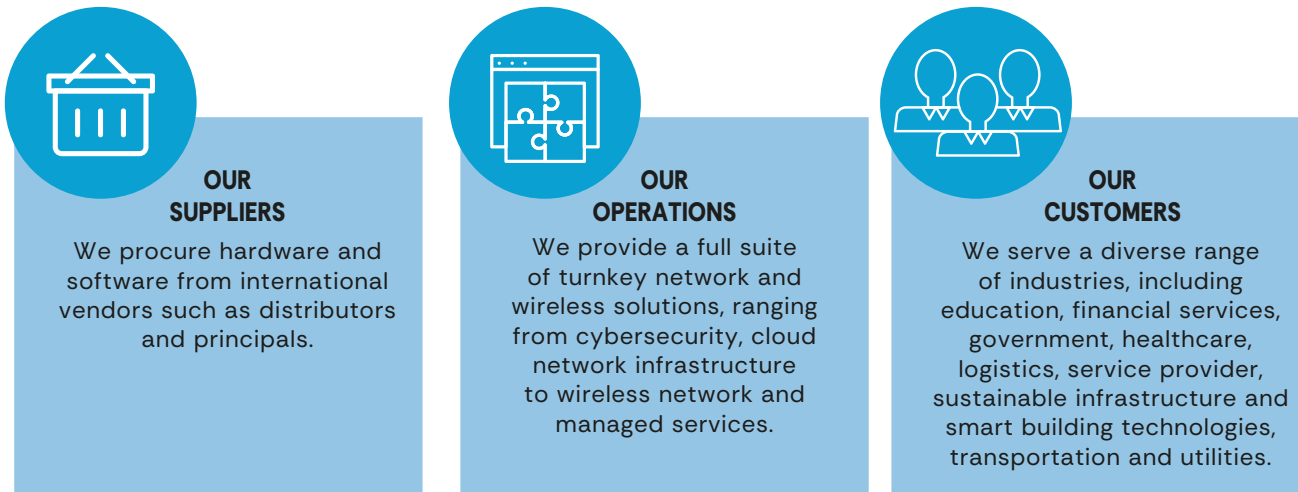
10 A serious offence is defined as one that involves fraud or dishonesty involving an amount not less than SGD 100,000 and is punishable by imprisonment for a term of not less than two (2) years, which is being or has been committed against a company by its officers or employees.

11 An incident of non-compliance excludes incidents involving fraud or dishonesty.

SUSTAINABILITY REPORT

OUR BUSINESS

NeraTel delivers end-to-end information technology (“IT”) solutions for modern infrastructure. Our business value chain is detailed as follows:



REPORTING SCOPE AND PERIOD

This Report covers the consolidated entities, as disclosed in our audited financial statements for the FY from 1 January 2025 to 31 December 2025. Due to the change in reporting scope, certain comparative data for the prior Reporting Period is not tracked and thus excluded from the current Reporting Period (“**Change in Reporting Scope**”).

REPORTING FRAMEWORK

This Report is prepared in accordance with Rules 711A and 711B of the Listing Manual Section B: Rules of Mainboard (the “**Mainboard Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and the guidance set out in SGX-ST’s sustainability reporting guide under Practice Note 7.6 of the Mainboard Rules. This Report is also prepared with reference to the Global Reporting Initiative (“**GRI**”) standards for the Reporting Period. We chose to report using the GRI Standards as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability metrics.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we mapped our sustainability efforts in accordance with the 2030 Agenda for Sustainability Development which is adopted by all United Nations Members States in 2015 (“**UN Sustainability Agenda**”). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form an urgent call for action by all countries – developed and developing – in a global partnership.

Our climate-related disclosures are prepared based on the 11 recommendations of Task Force on Climate-related Financial Disclosures (“**TCFD**”). Following the publication of the International Sustainability Standards Board (“**ISSB**”) Standards – International Financial Reporting Standards (“**IFRS**”) S1 and IFRS S2, we conducted a gap analysis against our existing TCFD reporting and are in the process of aligning our climate-related disclosures to the ISSB Standards. We are guided by the phased approach recommended by the SGX-ST in aligning our reporting of climate-related disclosures in accordance with ISSB Standards.

VERIFICATION AND REVIEW

We relied on internal data monitoring and verification to ensure accuracy for this Report. Internal reviews on the sustainability report process are incorporated as part of our internal audit review cycle, and we will work towards external assurance for our future sustainability reports subject to market trends and regulatory requirements.

SUSTAINABILITY REPORT

FEEDBACK

We welcome feedback from all stakeholders on this Report and our sustainability performance. You may send related questions, comments, suggestions or feedback here: corporate@nera.net.

STAKEHOLDER ENGAGEMENT

We aim to create long-term sustainable shared values with our stakeholders. Hence, it is important for the Group to understand and achieve alignment of value and interest with our key stakeholders, as much as possible, to develop mutual, sustainable stakeholder relationships that are aligned with our vision and mission.

As part of our stakeholder engagement process, we identify the key stakeholders relevant to our business, and they include entities or individuals that have an interest that is affected or could be affected by our activities. These key stakeholders include communities, customers, employees, national agencies and government bodies (“**Regulators**”), investors and shareholders (“**Shareholders**”), as well as Suppliers.

The concerns of key stakeholders are considered when formulating corporate strategies. We adopt both formal and informal channels of communication to understand these concerns and incorporate them in our corporate strategies to achieve mutually beneficial outcomes. We engage our key stakeholders through the following channels:

Key Stakeholder	Engagement Channel	Frequency of Engagement	Key Concern
Communities	Community campaigns	Ongoing	<ul style="list-style-type: none"> Corporate social responsibilities Environmental stewardship
Customers	<ul style="list-style-type: none"> Email communications Meetings and visits Phone calls Teleconferences 	Regularly	<ul style="list-style-type: none"> Customer service Diversity, quality and safety of products Market presence Responsiveness to customer feedback and complaints
Employees	Employee evaluation sessions Physical/virtual town hall meetings	Annually Quarterly	<ul style="list-style-type: none"> Career development and training opportunities Competitive remuneration and benefits Equal employment opportunities Job security Safe working environment Occupational health and safety (“OHS”)

SUSTAINABILITY REPORT

Key Stakeholder	Engagement Channel	Frequency of Engagement	Key Concern
Regulators	Consultations and briefings organised by key regulatory bodies such as Singapore Stock Exchange	Ad-hoc	<ul style="list-style-type: none"> ▪ Corporate governance ▪ OHS ▪ Regulatory development towards environmental goals
Shareholders	<ul style="list-style-type: none"> ▪ Annual general meeting ▪ Annual reports 	Annually	<ul style="list-style-type: none"> ▪ Corporate governance ▪ Dividend payment
	Results announcement on SGXNET	Half-yearly	<ul style="list-style-type: none"> ▪ Market valuation
	Company website	Regularly	<ul style="list-style-type: none"> ▪ Sustainable business performance
	Company announcement	When needed	
Suppliers	<ul style="list-style-type: none"> ▪ Email communications ▪ Meetings and visits ▪ Events such as vendor conferences 	Regularly	<ul style="list-style-type: none"> ▪ Ability to distribute products ▪ Fair trading terms ▪ Feedback on products and services ▪ Maintain and expand brand presence ▪ Order volatility

POLICY, PRACTICE AND PERFORMANCE REPORTING

In line with our commitment to sustainability, we established a sustainability reporting policy (“**SR Policy**”) that outlines our sustainability strategy, sustainability governance structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors which serves as a point of reference in the conduct of our sustainability reporting. Under this SR Policy, we will continue to monitor, review and update our material Sustainability Factors from time to time, considering the feedback that we receive from our engagement with our stakeholders, organisational and external developments.

Sustainability Governance Structure

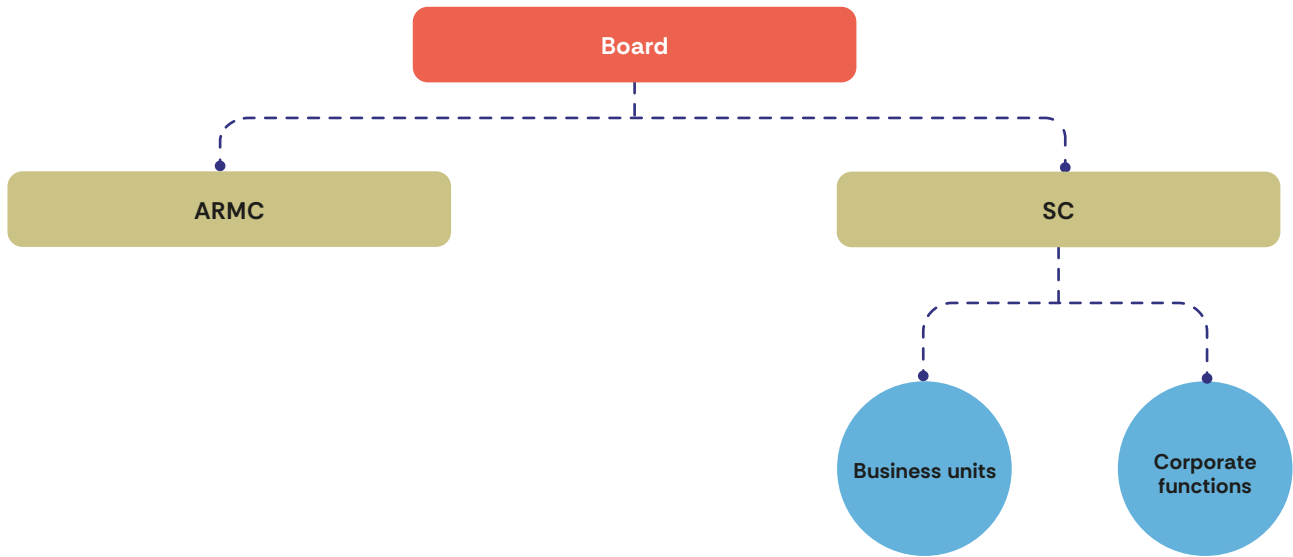
The Board is ultimately responsible for overseeing the Group’s sustainability matters and is primarily supported by an executive level Sustainability Committee (“**SC**”) by virtue of delegation. As part of our continual efforts to upgrade the knowledge of our directors on sustainability reporting and to meet the requirement of listing rule 720 (7) of SGX-ST, we confirm that all our Directors have attended at least one of the Singapore Exchange Regulation’s approved sustainability training courses.

Our Group SC is led by our Executive Chairman and supported by key management representatives from business units and corporate functions. Beside the SC, the Board is also supported by the Audit and Risk Management Committee (“**ARMC**”) on specific sustainability matters under its terms of reference.

SUSTAINABILITY REPORT

Our sustainability governance structure and the responsibilities of component parties are detailed as follows:

Sustainability Governance Structure



Terms of Reference of Component Parties

Component Party	Member	Terms of Reference
Board	Board members	<ul style="list-style-type: none"> ▪ Determine material Sustainability Factors of the Group ▪ Review and approve sustainability strategy, policies and targets ▪ Review and approve sustainability reports (including materiality assessment process and outcome) ▪ Monitor implementation of sustainability strategy, policies and performance against the targets ▪ Oversee the identification and evaluation of sustainability and climate-related risks and opportunities ▪ Ensure the integration of sustainability and climate-related risks and opportunities within the Group's enterprise risk management ("ERM") framework ▪ Evaluate the composition and competencies of the SC to support effective oversight of sustainability strategy, with consideration of climate-related risks and opportunities

SUSTAINABILITY REPORT

Component Party	Member	Terms of Reference
ARMC	ARMC members	<ul style="list-style-type: none"> Review the adequacy and effectiveness of the Group's internal controls and risk management systems Oversee the conduct of assurance activities pertaining to the Group's sustainability reporting processes
SC	<p>Led by Executive Chairman and comprises:</p> <ul style="list-style-type: none"> Senior Vice President, Group Sales; Vice President, Human Resource ("HR"); Assistant Vice President, Corporate Communications and Marketing; Assistant Vice President, Group Solutions; and Financial Controller 	<ul style="list-style-type: none"> Develop sustainability strategy, policies and management plans, as well as recommend revisions to the Board Ensure that the implementation of sustainability strategy is aligned across business segments and geographical locations Evaluate overall sustainability risks and opportunities, with a focus on climate-related issues Track and monitor sustainability-related regulatory requirements Perform materiality assessment to identify and prioritise material Sustainability Factors Align the Group's practices at the operational level with the organisation-wide sustainability agenda and strategy Monitor sustainability activities and performance against targets Consolidate sustainability metrics to track sustainability impact on a Group basis and for reporting purposes Prepare and review sustainability reports prior to its approval by the Board
Working Committee	<p>The committee comprises representatives from the following business unit and corporate functions:</p> <ul style="list-style-type: none"> HR; Operations; and Finance 	<ul style="list-style-type: none"> Align practices at the operational level with the organisation-wide sustainability agenda and strategy Collect and compile sustainability metrics to track sustainability impact

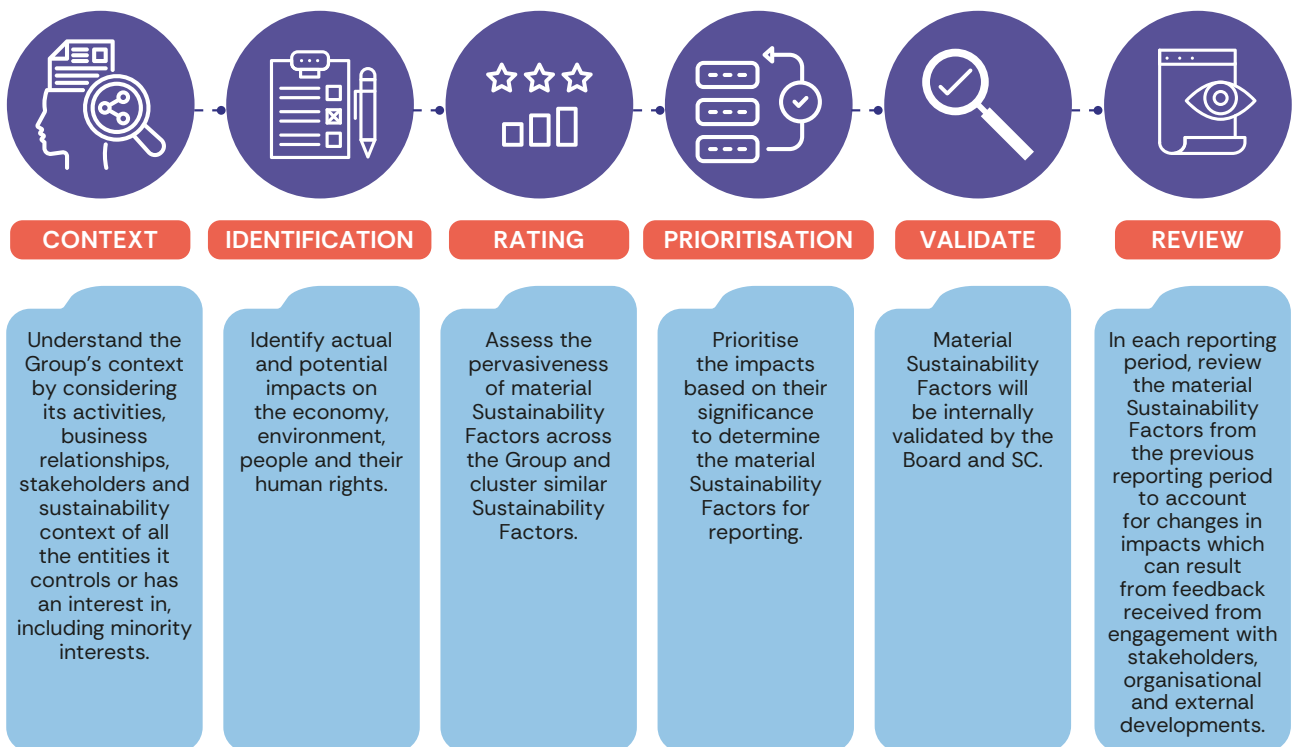
As we are still refining our sustainability-related sustainability metrics measurement and tracking mechanism, we will link the key executives' remuneration to sustainability performance when the mechanism is more mature and stable.

SUSTAINABILITY REPORT

Sustainability reporting process

Under our SR Policy, our sustainability process begins with an understanding of the Group’s context. This is followed by the ongoing identification and assessment of the Group’s impacts. The most significant impacts are prioritised for reporting, and the result of this process is a list of material Sustainability Factors disclosed in this Report.

Processes involved are shown in the chart below:



Materiality assessment

We continuously refine our management approach to adapt to the changing business landscape. The Group’s SC performs an annual materiality assessment to ensure that the material Sustainability Factors disclosed in our sustainability reports remain current, material, and relevant. From the assessment, we identify key areas that impact our ability to create value for our stakeholders.

Both positive and negative impacts, whether actual and potential, are assessed based on: (i) the likelihood of the occurrence of actual and potential negative and positive impacts; and (ii) their significance on the economy, environment, people and human rights, as well as their contribution to sustainable development.

Performance tracking and reporting

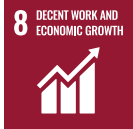
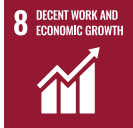






We track the progress of our material Sustainability Factors by identifying, monitoring and measuring the relevant sustainability metrics. Additionally, we set performance targets aligned with our strategy to ensure we are focused on our sustainability goals. We consistently enhance our performance-monitoring processes and improve our data capturing systems. A Sustainability Report is published annually in accordance with our SR policy.

SUSTAINABILITY REPORT

MATERIAL SUSTAINABILITY FACTOR

In FY2025, the SC performed a materiality assessment to update the material Sustainability Factors, and this was followed by a stakeholder engagement session¹² to understand the concerns and expectations of our key stakeholders. In this Report, we also reported our progress in managing these factors and set related targets to improve our sustainability performance.

We incorporated the SDGs from the UN Sustainability Agenda, as a supporting framework to shape and guide our sustainability strategy where appropriate. Below is the list of material Sustainability Factors applicable to the Group and how they related to these SDGs:

S/N	Material Sustainability Factor	SDG	Key Stakeholder	Our Effort
Economic				
1	Sustainable Business Performance	 8 DECENT WORK AND ECONOMIC GROWTH	<ul style="list-style-type: none"> Employees Regulators Shareholders Suppliers 	We contribute to economic growth through creating long-term value for our shareholders.
2	Total Customer Satisfaction	 8 DECENT WORK AND ECONOMIC GROWTH	<ul style="list-style-type: none"> Customers Employees Suppliers 	We deliver exceptional products and services, listen to customer feedback and continuously improve based on their needs and expectations.
Environmental				
3	Water Conservation	 6 CLEAN WATER AND SANITATION	<ul style="list-style-type: none"> Communities Regulators Shareholders 	We implement measures to reduce water wastages in our business operations.
4	Responsible Waste Management	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	<ul style="list-style-type: none"> Communities Regulators Shareholders 	We implement measures to reduce environmental impacts of waste that is generated from our business operations.
5	Energy Conservation and GHG Emissions Reduction	 13 CLIMATE ACTION	<ul style="list-style-type: none"> Communities Regulators Shareholders 	We implement practices to reduce energy consumption, improve efficiency and lower the GHG emissions for our operations.
Social				
6	Occupational Health and Safety	 3 GOOD HEALTH AND WELL-BEING	<ul style="list-style-type: none"> Employees Regulators 	We implement effective health and safety policies and procedures.
7	Talent Development and Retention	 4 QUALITY EDUCATION	Employees	We provide comprehensive employee benefits and create a rewarding working environment.
8	Equality and Diversity in the Workplace	 10 REDUCED INEQUALITIES	Employees	We build a diverse and inclusive workplace that will bring new perspectives to our business.

¹² The Group distributed an online survey to its internal and external stakeholders of employees, customers and suppliers for the materiality assessment.

SUSTAINABILITY REPORT

S/N	Material Sustainability Factor	SDG	Key Stakeholder	Our Effort
9	Ongoing Community Development	 11 SUSTAINABLE CITIES AND COMMUNITIES	Communities	We contribute to community projects and encourage employee involvement in volunteerism.
Governance				
10	Corporate Governance and Business Ethics	 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	<ul style="list-style-type: none"> Regulators Shareholders 	We ensure that business practices are aligned with legal standards and ethical principles.

Sustainable business performance

Commitment

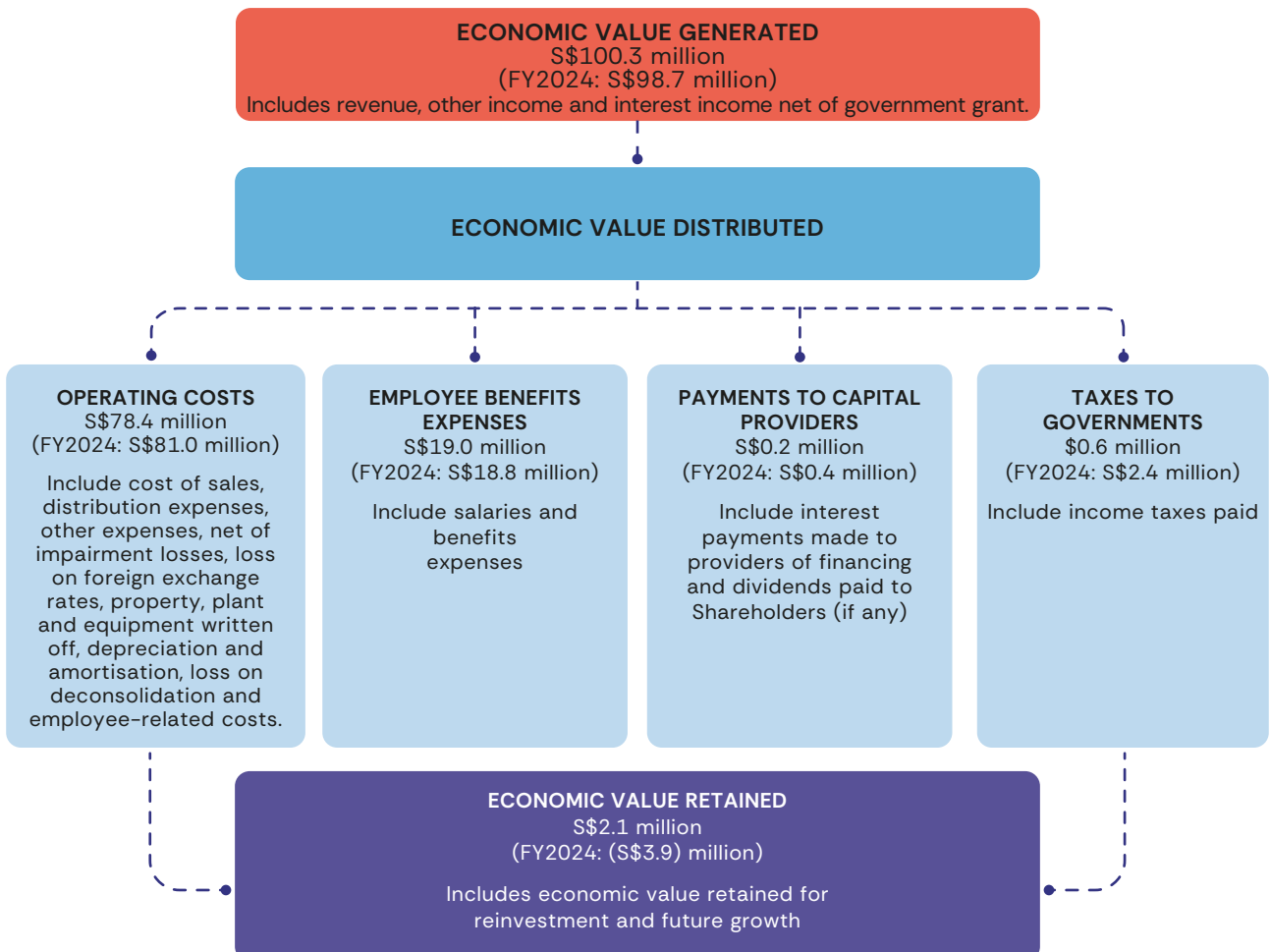
We are committed to creating long-term economic value for stakeholders by adopting responsible business practices and growing sustainably.

Approach

We strive to generate and distribute economic value via our business strategy, which includes staying abreast with market trends, maintaining a healthy balance sheet and strong cash flow, to mitigate relevant business risks identified.

Performance

In line with our commitment, economic value generated and distributed in FY2025 were as follows:



SUSTAINABILITY REPORT

Refer to the audited financial statements in our Annual Report FY2025 (“AR2025”) for the Group’s financial performance and financial risk management disclosure on our efforts and progress in maintaining financial sustainability.

Total customer satisfaction

Commitment

We are committed to delivering best-in-class solutions that elevate business value for our customers, who are integral to our long-term success.

Approach

Maintain Presence and Proximity to the Customers Whom We Serve

We maintain a strong market presence in 11 countries across Asia Pacific (“APAC”), Europe, the Middle East, and Africa (“EMEA”). This extensive geographical footprint enables us to deliver customised solutions for local markets whilst retaining the flexibility and scalability required to support large and complex deployments.

We aim to progressively expand our presence across the countries in which we operate, whilst deepening brand visibility and strengthening market presence in Southeast Asia, where our headquarters is located. This strategic focus reflects the Group’s commitment to consolidate our leadership position in core markets, whilst pursuing sustainable growth opportunities in adjacent and emerging markets.

Develop a Skilled Workforce to Deliver Exceptional Customer Experience

As a solutions provider, we recognise that a highly competent workforce is fundamental to delivering value across the lifecycle of our services. Our employees are core enablers in building consistent, sustainable and trusted relationships with our customers.

We ensure that employees across various functions including sales and post-sales, technical, and support teams are equipped with the necessary product knowledge, technical expertise and project management skills to perform their roles to a high standard.

To meet the evolving needs of our customers and an everchanging operating environment, we support our employees’ growth through professional development training programmes. These initiatives allow our employees to stay abreast with technological advancements, maintain agility and adopt a growth mindset, which strengthens the Group’s technical depth, operational resilience and ability to deliver exceptional customer experience.

We also maintain a centralised database that captures cumulative insights from past projects including design solutions, marketing strategies and case studies. This repository plays an integral role in our employees’ development by facilitating knowledge transfer, supporting new employees onboarding and enhancing customer support.

Refer to section ‘Talent Development and Retention’ for further information on how we develop and retain our employees.

Cultivate Sustainable Relationship with Our Vendors

Our solutions are built on an ecosystem of international hardware and software vendors, including distributors and principals with whom we have whom we cultivated long-standing, collaborative relationships. Recognising that vendor partnerships are fundamental to the integrity of solutions, service excellence and delivery assurance, we adopt a systematic approach towards vendor selection and management.

Potential new vendors are assessed against a set of pre-defined criteria, including security and compliance, functional capabilities and after sales support, with increasing emphasis placed on vendors that demonstrate sound sustainability practices. Existing vendors are subjected to periodic evaluations to ensure that they continue to meet our requirements, uphold expected standards and support our overall commitment to responsible and sustainable business practices.

SUSTAINABILITY REPORT

Better Solutions through Continuous Feedback

Against the backdrop of rapid technological advancement and the accelerating pace of digital adoption, we recognise the importance of continuously improving our solutions to meet the needs of our customers. To support this, we established structured mechanisms to gather customer feedback, address customer needs, and identify areas for improvement.

Customer feedback is collected through defined customer service channels, such as engagements by our Sales and Account Management Team and periodic customer satisfaction surveys. Such an arrangement integrates information across different channels and allows us to coordinate engagement across functions, reduce information asymmetry and enhance accountability, contributing to our overall ability to provide an enhanced customer experience across markets.

Adopt Market Standards for the Quality and Safety of Our Products

NeraTel adheres to internationally recognised standards for quality management, occupational health and safety and cybersecurity. These standards demonstrate our ability to consistently provide products and services that meet customer and applicable statutory and regulatory requirements.

Performance

Adopt Market Standards for the Quality and Safety of Our Products

NeraTel has acquired the following certifications:

Certification/Standard	Description
ISO 9001 Quality Management System	An internationally recognised standard that specifies the requirements for a quality management system that demonstrates the ability to consistently provide products and services that meet customer and applicable statutory and regulatory requirements.
ISO 20000 Information Technology – Service Management	An internationally recognised standard that specifies the requirements for establishing, implementing, maintaining and continually improving a service management system.
ISO 27001 Information Security, Cybersecurity and Privacy Protection – Information Security Management Systems	An internationally recognised standard that specifies the requirements for establishing, implementing, maintaining and continually improving an information security management system.
Cybersecurity Agency of Singapore’s Cyber Trust Mark	A national cybersecurity certification that recognises organisations for implementing sound cybersecurity practices and effective cyber risk management measures. It demonstrates an organisation’s commitment to safeguarding systems, data and digital infrastructure in line with recognised cybersecurity standards and regulatory expectations.

Water conservation

Commitment

We recognise the importance of managing our water consumption efficiently to prevent water wastage and are committed to the responsible usage of water resources.

Approach

We rely on water resources from municipal water suppliers¹³. Water resources are mainly utilised at our offices for the following purposes:

- Cleaning and sanitation; and
- Daily consumption.

¹³ Based on the World Resources Institute Aqueduct Water Risk Atlas, NeraTel does not operate in any areas with high water stress. Whilst our operations do not significantly affect the operating countries’ overall capacity to meet human and ecological water demands, we actively monitor government initiatives to enhance our water conservation efforts.

SUSTAINABILITY REPORT

To conserve water resources, we have implemented the following water conservation measures:

- Install water efficient taps to optimise water usage;
- Display signages to remind employees of the importance of water conservation; and
- Track and analyse water consumption to identify abnormal consumption patterns and implement necessary corrective actions.

Performance

Key statistics on water consumption during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2025 ¹
Water consumption	Cu M	1,301
Water consumption intensity	Cu M/number of employees	5

Responsible waste management

Commitment

We are committed to managing our waste responsibly by ensuring proper disposal, minimising environmental impact and increasing opportunities for recycling and resource recovery.

Approach

Due to the nature of our business, we do not generate a significant amount of conventional waste such as paper, plastic or metal. Instead, our primary waste stream consists of electronic waste (“E-Waste”), including obsolete electronic parts and faulty components.

The Group recognises that improper handling of E-Waste can pose significant environmental and health risks due to the presence of hazardous substances such as lead, mercury and cadmium, which may contaminate ecosystems and threaten biodiversity. At the same time, E-Waste contains recoverable materials, including gold, silver and platinum, which are both costly and resource-intensive to extract from natural sources. We aim to responsibly manage our E-Waste by ensuring proper disposal, minimising its environmental impact and increasing recyclability.

We manage our E-Waste in accordance with the relevant local laws and regulations and engage licensed contractors for E-waste disposal.

Performance

During the Reporting Period, there were zero incidents (FY2024: zero incidents) of non-compliance with applicable waste disposal-related environmental laws and regulations that resulted in significant fines or non-monetary sanctions.

Energy conservation and GHG emissions reduction

Commitment

We are committed to responsible usage of energy that helps to reduce GHG emissions and preserve the environment in which we operate.

Approach

We aim to reduce our environmental footprint and at the same time, establish operational resilience to deliver long-term and sustainable value to our stakeholders. We adopt a balanced approach in effectively managing and minimising the impacts arising from our business operations.

We are dependent on energy resources mainly in the following areas:

- Electricity for our offices including lighting, office equipment, cooling and ventilation purposes;
- Electricity for our company vehicles; and
- Diesel and petrol for our company vehicles

SUSTAINABILITY REPORT

Decarbonisation Approach

To conserve energy and manage our GHG emissions, we set up a seven (7) step continuous circular process as follows:



On a yearly basis, we update our GHG emissions profile for our Scope 1, 2 and 3 GHG emissions based on defined organisational boundaries. We will also conduct a GHG emissions profiling exercise whenever there are significant changes to our business models and work processes. We track and monitor our Scope 1, 2 and certain categories of Scope 3 GHG emissions, and are developing mechanisms to track other categories of Scope 3 GHG emissions, where relevant and practicable.

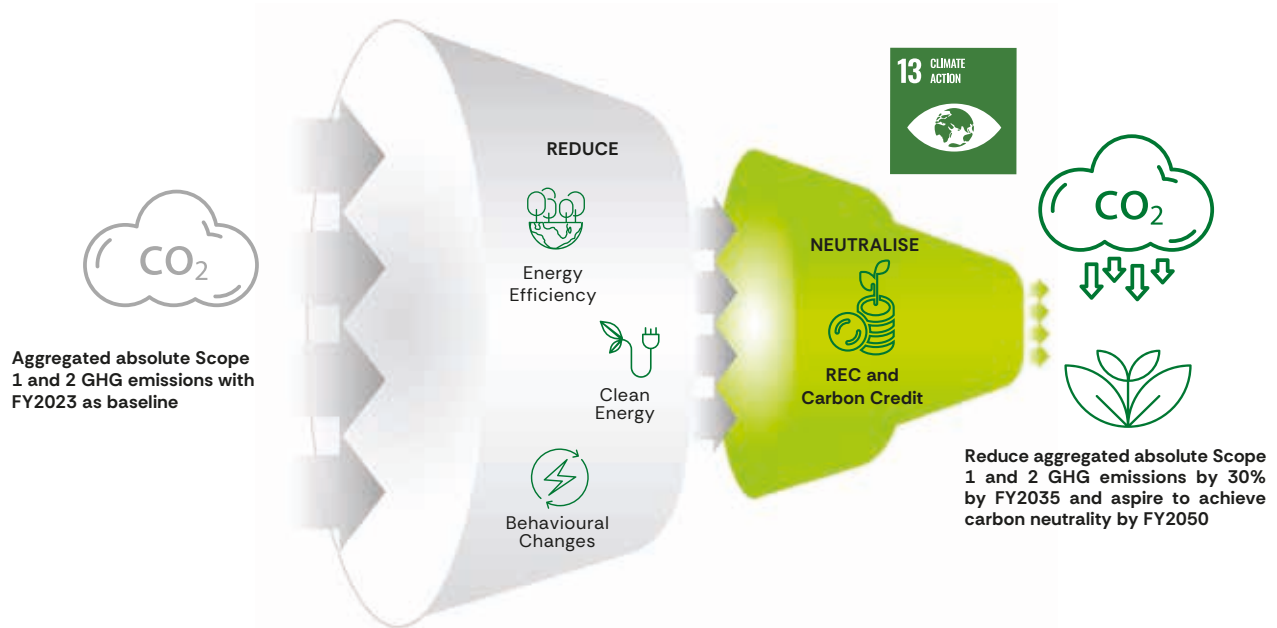
We have developed a climate change transition plan and will refine and improve the plan as it is progressively implemented by considering changes in business operations, environmental factors and market trends. Progress updates and performance will be provided in our future sustainability reports.

We measure our GHG emissions in alignment with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004). We adopted the operational control approach as a basis to determine GHG emissions data consolidation boundaries across our entities. This approach was selected as it allows us to manage emissions from our operations where we have practical control to introduce relevant measures and implement operating policies. We assessed that we have operational control over all reporting entities covered in this Report.

SUSTAINABILITY REPORT

Climate Change Transition Plan

Our climate change transition plan steers us on our decarbonisation journey. Under this plan, we commit to reduce our aggregated absolute Scope 1 and 2 GHG emissions by 30% by FY2035, with FY2023 as our baseline and aspire to achieve carbon neutrality by FY2050. Our climate change transition plan focuses on two (2) strategic levers of reduce and neutralise as follows:



Refer to section 'Key Assumptions' for further information.

Our action plans by lever and focus area adopted in our climate change transition plan are as follows:

Lever	Focus Area	Action Plan
Reduce	Energy efficiency – lighting	We adopt energy-efficient fixtures and fittings such as using energy saving light emitting diode and installing motion sensors in our lighting system.
	Energy efficiency – cooling	Our action plans on this front include: <ul style="list-style-type: none"> ▪ Installing centralised air-conditioning systems which have a lower consumption rate and higher energy efficiency; and ▪ Cleaning filters for air-conditioning systems to reduce air flow resistance regularly.
	Clean energy – cleaner-energy vehicle ("CEV")	Our action plans on this front include: <ul style="list-style-type: none"> ▪ Maintaining a systematic maintenance programme for our vehicles to improve fuel efficiency; and ▪ Phasing out internal combustion engine ("ICE") vehicles in our operations, subject to the infrastructure maturity in each country. <p>During the Reporting Period, NeraTel completed the transition of its vehicle fleet, by replacing 100% of its ICE vehicles with CEVs.</p>

SUSTAINABILITY REPORT

Lever	Focus Area	Action Plan
	Clean energy	We constantly explore opportunities to use clean energy available in the locations that we operate in.
	Behavioural change	We constantly remind our employees on basic and socially responsible habits at their workplaces such as adopting greener work ethics, switching off appliances if not in use and enabling power saving modes.
Neutralise	<ul style="list-style-type: none"> ▪ Renewable energy certificates (“REC”) ▪ Carbon credits 	We plan to explore the use of REC and carbon credits to offset unavoidable residual GHG emissions when the relevant markets mature.

Performance

Key statistics on energy consumption and GHG emissions during the Reporting Period are as follows:

(i) Energy Consumption

Sustainability Metric	FY2025 ¹	
	GJ	%
Diesel consumption (fleet ¹⁴)	35,040	61
Petrol consumption (fleet ¹⁴)	19,799	34
Electricity consumption	2,884	5
Total energy consumption	57,723	100

(ii) Energy Consumption Intensity

Sustainability Metric	Unit of Measurement	FY2025 ¹
Diesel consumption (fleet) intensity	GJ/number of employees	131
Petrol consumption (fleet) intensity	GJ/number of employees	74
Electricity consumption intensity	GJ/number of employees	11

(iii) GHG Emissions

Sustainability Metric	Unit of Measurement	FY2025 ¹
Direct GHG emissions (Scope 1) ¹⁵	tCO ₂ e	4,043
Indirect GHG emissions (Scope 2) ¹⁶	tCO ₂ e	356
Aggregated absolute GHG emissions (Scope 1 and 2)	tCO ₂ e	4,399
GHG emissions intensity (Scope 1 and 2)	tCO ₂ e/number of employees	16

¹⁴ Petrol and diesel consumption (fleet) includes consumption from all types of light-duty vehicles such as automobiles and light trucks, and heavy-duty vehicles such as tractor trailers and buses, and on-road motorcycles as well as mobile machinery, as defined in US EPA greenhouse gas inventory guidance and where applicable.

¹⁵ The direct GHG emissions from consumption of petrol and diesel controlled by a reporting entity (Scope 1) are calculated based on the GHG Emissions Measurement and Reporting Guidelines published by the National Environment Agency (“NEA”).

¹⁶ The indirect GHG emissions from electricity purchased by a reporting entity (Scope 2) are calculated based on the GHG emissions factors published by the relevant authorities.

SUSTAINABILITY REPORT

During the Reporting Period, details of indirect GHG emissions (Scope 3)¹⁷ relating to our operations are as follows:

Category	Coverage	Unit of Measurement	FY2025 ¹
Category 1: Purchased goods and services	Tap water	tCO ₂ e	<1
Category 7: Employee commuting	Transportation of employees between their homes and their worksites ¹⁸	tCO ₂ e	121

Occupational health and safety

Commitment

We are committed to fostering a safe and healthy work environment where employees are protected and empowered to perform at their best.

Approach

We foster a safe working environment, build a strong safety culture and mitigate workplace hazards by aligning our OHS practices with the local OHS regulations.

The OHS risks associated with our operations stem primarily from the use and handling of electrical equipment and devices, ergonomic challenges inherent in office-based work and physical safety hazards encountered at customers' sites.

To protect our employees, we implemented the following OHS measures:

- Maintain safety rules and regulations to guide our employees. These safety rules and regulations are conveyed to all new employees during their orientation;
- Establish safety committees and conduct safety assessments such as safety inspections and safety reporting regularly. Where hazards or risk areas are identified, appropriate controls are implemented and imposed to mitigate such risks;
- Establish incident reporting procedures to identify, record and report workplace incidents. Subsequently, a root cause analysis is performed with preventive measures implemented to prevent recurrence. Lessons learnt are communicated to employees to strengthen awareness and promote a culture of safety; and
- Conduct OHS training for employees, including emergency response procedures, hazard and risk management and general OHS awareness.

Performance

Key statistics on our work-related injuries for the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2025	FY2024
Workplace fatalities	Number	–	–
High consequence work-related injuries ⁷	Number	–	–
Recordable work-related injuries	Number	–	1
Recordable work-related ill-health cases ⁸	Number	–	–
Rate of work injury ¹⁹	Number of injury/ total number of working hours	–	<0.001

NeraTel is: (i) ISO 45001:2018; (ii) SafeContractor Accreditation; and (iii) bizSAFE STAR certified. These certifications recognise our continuous efforts to incorporate safety in our business.

¹⁷ The indirect GHG emissions (Scope 3) are calculated using a mix of emission factors from Public Utilities Board of Singapore, Singapore Emissions Factor Registry, and GHG Protocol Transport Tool.

¹⁸ Disclosure covered only NeraTel.

¹⁹ The rate of work injury is computed based on the number of recordable work-related injuries divided by the total number of hours worked by employees on a full-time equivalent basis and based on every 200,000 hours worked.

SUSTAINABILITY REPORT

Talent development and retention

Commitment

We are committed to continually enhancing our employees' skills and fostering a culture of growth and innovation to ensure the Group's continued success.

Approach

Training and Development

Our employee development programmes are designed to: (i) equip our employees with skills and knowledge to perform their roles effectively and efficiently; (ii) enhance the overall service quality offered to customers; and (iii) develop future talents and leadership for the purpose of succession planning.

To meet different development needs, the Group provides technical training, leadership programmes, as well as soft skills training. Employees in technical roles are encouraged to attain technical certifications relevant to their roles whilst employees in management roles are encouraged to attend leadership development courses and programmes to strengthen their managerial capabilities.

Employee Performance Appraisal

To promote a high-performance culture, we conduct performance appraisals for eligible employees to assess their work performance, discuss challenges faced, their career aspirations and progress and improvement areas for the Group. By providing clarity on expectations and offering recognition, we aim to empower employees to identify suitable training topics for themselves in pursuit of their career development, as well as supporting long-term talent planning for the Group.

Employee Benefits and Welfare

We care for our employees' well-being through various core benefits, as follows:

- Contributions to the relevant local provident fund;
- Medical insurance coverage;
- Medical reimbursement; and
- Maternity and paternity leave ("**Parental Leave**").

In addition, we support the mental wellbeing of our employees through the following initiatives:

- Establish Wellness Committees to organise activities that strengthen team bonds and promote employee wellness, such as monthly birthday celebrations, movie nights and laser tag;
- Circulate health and safety announcements to provide employees with guidance and promote awareness;
- Designate Family Friday, an initiative that allows employees to officially conclude their workday an hour earlier at 5pm on the last Friday of each month, to encourage rest and work-life balance; and
- Promote open feedback and communication within the Group through sharing sessions.

Performance

The Group has a total of 267 permanent full-time employees²⁰ as at 31 December 2025.

²⁰ Temporary staff, contract staff, non-guaranteed staff and part-time staff are not considered permanent full-time employees. Accordingly, they are excluded from consideration in relation to gender diversity, age diversity, educational diversity, average training hours, new hires, and turnover rate.

SUSTAINABILITY REPORT

Key statistics on employee development and retention for the Reporting Period are as follows:

(i) *New Hires*²¹

Sustainability Metric	FY2025 ¹	
	Number of New Hires	New Hire Rate
Overall	38	14%
Gender		
Male	19	11%
Female	19	21%
Age		
Below 30	10	37%
30 to 50	23	12%
Above 50	5	13%

(ii) *Turnover*²²

Sustainability Metric	FY2025 ¹	
	Number of Turnover	Turnover Rate
Overall	133	50%
Gender		
Male	99	56%
Female	34	37%
Age		
Below 30	24	89%
30 to 50	91	46%
Above 50	18	45%

(iii) *Training Hours*

Sustainability Metric	FY2025 ¹
Overall	
Total Training hours	3,178
Average training hours per employee	12
Male	
Total Training hours	2,375
Average training hours per employee	13
Female	
Total Training hours	803
Average training hours per employee	9

21 New hire related statistics are computed based on confirmed new hires over total employees by gender and age.

22 Turnover related statistics are computed based on the turnover of confirmed employees over total employees by gender and age.

SUSTAINABILITY REPORT

(iv) Performance Appraisal

Sustainability Metric	FY2025 ¹
Overall	100%
Gender	
Male	100%
Female	100%
Employee Category	
Management	100%
Non-management	100%

Equality and diversity in the workplace

Commitment

We are committed to maintaining respectful relationships with and amongst our employees.

Approach

To promote equality and diversity, we have implemented the following HR measures:

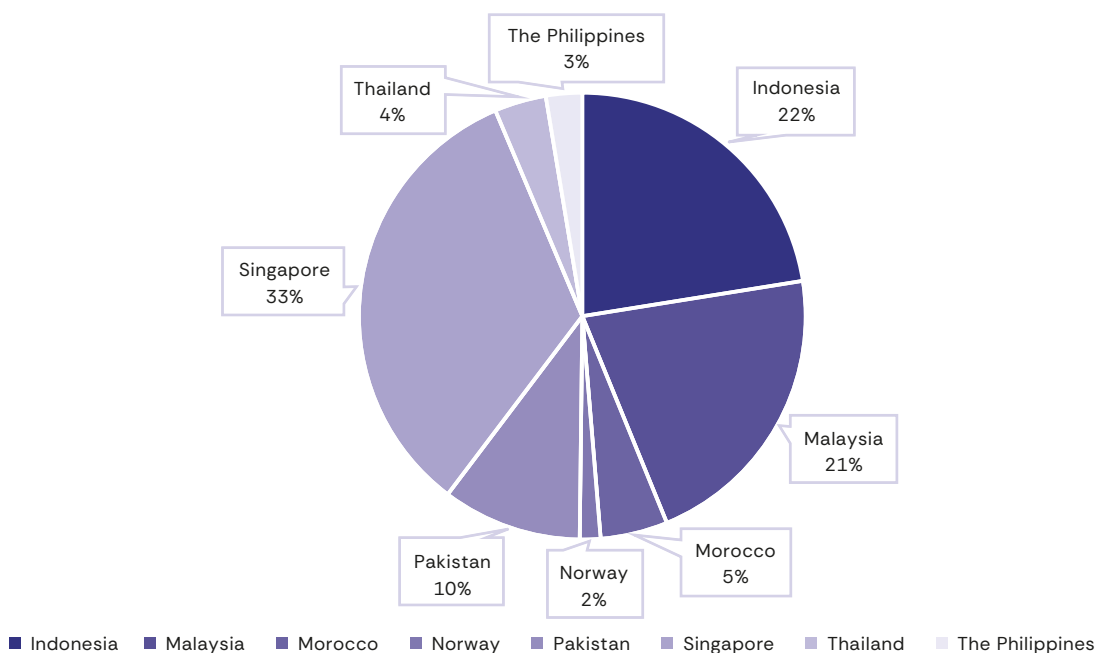
- Establish a Board Diversity Policy to promote diversity at board level;
- Establish a Group Anti-discrimination and Anti-harassment Policy that affirms our commitment to equal treatment, prohibiting discrimination in any form. All HR-related matters such as hiring, benefits and compensation are based on merit and without discrimination; and
- Provide opportunities for promising employees to attend relevant training programmes without discrimination

Performance

Breakdown of Employees by Region

Key statistics on the breakdown of our permanent full-time employees by region are as follows:

Number of Permanent Full-time Employees



SUSTAINABILITY REPORT

(i) *Gender Diversity*

Key statistics on gender diversity of our employees are as follows:

Sustainability Metric	FY2025 ¹	
	Male	Female
Board	83%	17%
Overall	66%	34%

(ii) *Age Diversity*

Key statistics on age diversity of our employees are as follows:

Sustainability Metric	FY2025 ¹		
	Below 30	30 – 50	Over 50
Overall	10%	75%	15%

During the Reporting Period, there were zero reported incidents of unlawful discrimination against employees⁹.

During the Reporting Period, we were accredited with the Progressive Wage Mark (“PW Mark”)²³.

Ongoing community development

Commitment

We are committed to uplifting communities, with a focus on vulnerable groups, to promote inclusive and equitable sustainable development to ensure no one is left behind.

Approach

A Meaningful Day Out with Dover Park Hospice (“DPH”)

NeraTel continues to collaborate with our partnering charity, DPH, and organised an outdoor excursion for DPH’s patients to ‘River Wonders’ (formerly known as ‘River Safari’), a river-themed zoo and aquarium (“**River Wonders**”). We aim to provide patients with opportunities to spend time outdoors, connect with nature and enjoy a refreshing change of environment.

For many of the participants, this marked their first visit to River Wonders, making the experience particularly meaningful as they explored the tranquil surroundings and natural attractions. After a safety briefing conducted by the DPH Team, our employees accompanied the patients to tour River Wonders, experience nature and wildlife, and watch the ‘Once Upon a River’ presentation.

Supporting Wisma Mulia Nursing Home

P.T. Nera Indonesia continued its commitment to community engagement by supporting ‘Wisma Mulia Nursing’ nursing home, a charitable institution under ‘Kongres Wanita Indonesia’, established in 1946 to serve communities from diverse backgrounds.

In March and June 2025, our employees visited the nursing home to engage with residents and provide donations to support its operational needs with essential supplies. These initiatives reflect our ongoing commitment to promoting inclusivity, care and dignity for seniors, whilst strengthening partnerships with organisations that share our values of social responsibility and community empowerment.

²³ PW Mark is administrated by the Singapore Business Federation on behalf of the Tripartite Partners which comprises of the Ministry of Manpower, National Trades Union Congress and Singapore National Employers Federation.

SUSTAINABILITY REPORT



Performance

During the Reporting Period, key statistics on our community engagements are as follows:

Topic	Sustainability Metric	FY2025
Giving	Community investment ²⁴ (S\$)	6,520
Socially responsible business-related practices	List of socially responsible business-related practices	Refer to above section 'Approach'
General	Number of community investment programmes	2

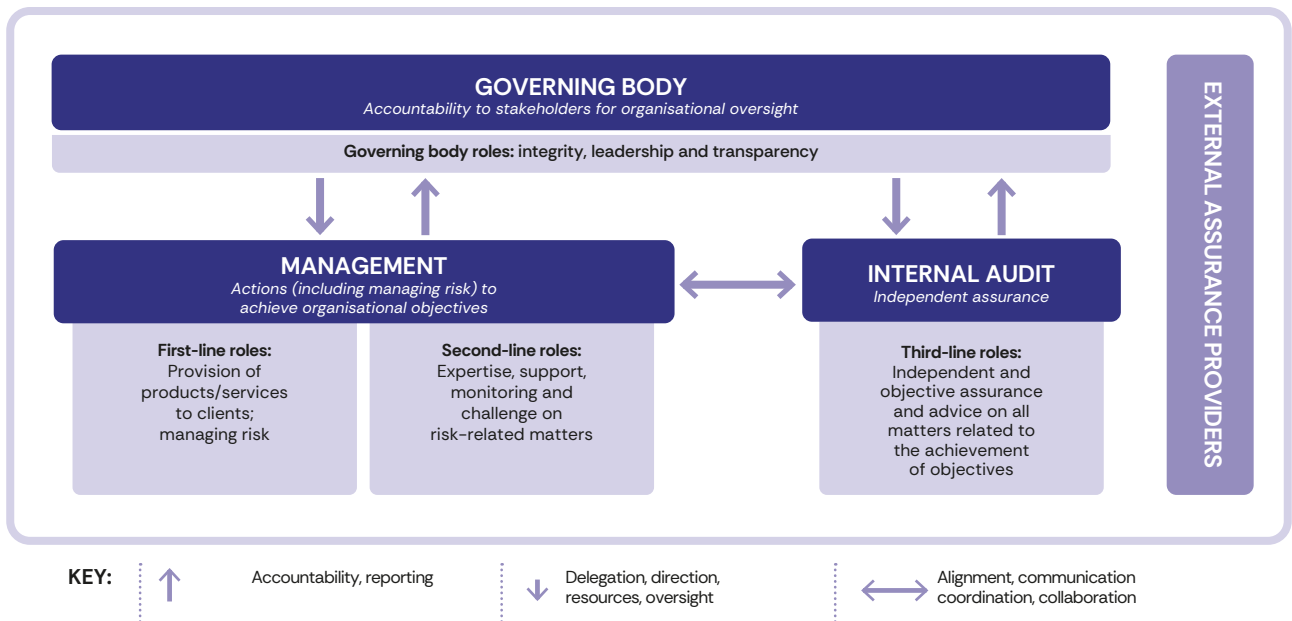
Corporate governance and business ethics

Commitment

The Group is committed to fostering a culture of corporate compliance, ethical behaviour and good corporate governance to achieve greater transparency and to protect the interests of shareholders.

Approach

We have aligned our corporate governance and risk management approach with the Three Lines Model issued by the Institute of Internal Auditors ("IIA"). The Three Lines Model serves to identify structures and processes that best assist the achievement of organisational objectives and facilitate strong governance and risk management. Under the Three Lines Model, the roles and responsibilities of governing body, management (first- and second-line roles), internal audit (third-line roles), and the relationship among them are defined as follows:



Source: Three Lines Model issued by the IIA

24 Our community investments include direct financial support and in-kind charitable sponsorships.

SUSTAINABILITY REPORT

Our governance approach is anchored on a comprehensive framework that combines strong leadership with a values-driven culture, supported by robust internal controls, clearly defined policies and effective risk management practices. This framework guides our commitment to ethical conduct, accountability and regulatory compliance across all levels of the Group. To uphold these principles, we adhere to the following policies and procedures:

Policy	Purpose
Group Anti-bribery and Corruption Policy	This policy serves to ensure ethical conduct in all business activities and relationships and prohibit bribery and corruption practices.
Group Code of Business Ethics and Conduct	This code serves to set expectation on standards of ethical behaviour, integrity and professional conduct for employees and business partners.
Group Competition Policy	This policy serves to ensure compliance with applicable competition law and promote fair and responsible market practices.
Group Data Protection Policy	This policy serves to protect personal and confidential information and ensure compliance with applicable data protection laws and regulations.
Group Insider Trading Policy	This policy serves to prevent insider trading and ensure the proper handling of material non-public information.
Whistle-blowing Policy	This policy serves to provide a safe and confidential channel for employees and stakeholders to report suspected misconduct, unethical behaviour or regulatory breaches without fear of retaliation.

We adopt a firm stance against bribery, fraud, money laundering and all forms of corruption, adopting a zero-tolerance approach to unethical practices and ensuring compliance with applicable laws and regulations, including the Mainboard Rules of SGX-ST, Companies Act, and Employment Act.

Refer to the 'Corporate Governance Report' of the Annual Report for further information.

Performance

Key statistics relating to corporate governance are as follows:

Sustainability Metric	FY2025 ¹
Incidents of serious offence ¹⁰	–
Incidents of non-compliance with any applicable laws and regulations ¹¹ that resulted in significant fines or non-monetary sanctions	–

TARGET AND PROGRESS

To measure our ongoing sustainability performance and drive continuous improvement, we have developed a set of targets related to our material Sustainability Factors. Our progress against these targets is reviewed and reported on an annual basis with details as follows:

LEGEND: PROGRESS TRACKING			
			
New target	Target achieved	On track to meet target	Not on track, requires review




SUSTAINABILITY REPORT

Due to the Change in Reporting Scope, progress for the current year has not been disclosed. We recognise the importance of transparent benchmarking and have disclosed progress for targets where relevant data is available.

S/N	Material Sustainability Factor	Target ²⁵	Current Year Progress
Economic			
1	Sustainable Business Performance	<u>Short term</u> Maintain or improve economic value generated subject to market conditions	●●● Our economic value generated improved.
2	Total Customer Satisfaction	<u>Ongoing and long term</u> Adhere to the market standards in our operations	●●● We adhered to the market standards in our operations.
Environmental			
3	Water Conservation	<u>Short term</u> Maintain or reduce water consumption intensity	Progress for the current year was not disclosed due to the Change in Reporting Scope.
4	Responsible Waste Management	<u>Ongoing and long term</u> Maintain zero incidents of non-compliance with any applicable waste disposal-related environmental laws and regulations that resulted in significant fines or non-monetary sanctions	●●● We maintained zero incidents of non-compliance with any applicable waste disposal-related environmental laws and regulations that resulted in significant fines or non-monetary sanctions
5	Energy Conservation and GHG Emissions Reduction	<u>Short term</u> Maintain or reduce GHG emissions intensity	Progress for the current year was not disclosed due to the Change in Reporting Scope.
		<u>Medium term</u> Reduce aggregated absolute Scope 1 and Scope 2 GHG emissions by 30% by FY2035, with FY2023 as our baseline	
		<u>Long term</u> Aspire to achieve carbon neutrality by FY2050	
Social			
6	Occupational Health and Safety	<u>Short term</u> Minimise the number of workplace accidents	●●● We minimised the number of workplace accidents.
		<u>Ongoing and long term</u> Maintain zero work-related fatalities, high-consequence work-related injuries and recordable work-related ill health cases	●●● We maintained zero work-related fatalities, high-consequence work-related injuries and recordable work-related ill health cases.

²⁵ Time horizons for target settings are: (i) short term: within 5 years (until FY2028); (ii) medium term: between 5 and 20 years (between FY2029 and FY2043); (iii) long term: above 20 years (FY2044 onwards); and (iv) ongoing: encompassing short, medium, and long term.

SUSTAINABILITY REPORT

S/N	Material Sustainability Factor	Target ²⁵	Current Year Progress
7	Talent Development and Retention	<u>Short term</u> Maintain or improve the average hours of training per employee	Progress for the current year was not disclosed due to the Change in Reporting Scope.
8	Equality and Diversity in the Workplace	<u>Ongoing and long term</u> Maintain zero reported incidents of unlawful discrimination against employees	 We maintained zero reported incidents of unlawful discrimination against employees.
9	Ongoing Community Development	<u>Ongoing and long term</u> Continue to initiate various campaigns to help communities	 We continued to initiate various campaigns to help communities.
Governance			
10	Corporate Governance and Business Ethics	<u>Ongoing and long term</u> <ul style="list-style-type: none"> ▪ Maintain zero incidents of serious offence ▪ Maintain zero incidents of non-compliance with laws and regulations for which significant fines and/or non-monetary sanctions were incurred 	 <ul style="list-style-type: none"> ▪ We maintained zero incidents of serious offence. ▪ We maintained zero incidents of non-compliance with laws and regulations for which significant fines and/or non-monetary sanctions were incurred.

For the material Sustainability Factors identified this Report, the Board and SC have considered the relevance and usefulness of setting related targets in the short, medium and long term horizons. As the historical data trends for certain material Sustainability Factors have yet to stabilise, we have not set the related medium term and long term targets and will disclose such targets in our future sustainability reports when the data trends have stabilised.

CLIMATE-RELATED DISCLOSURE

The Group is committed to support the recommendations by the TCFD and have disclosed our climate-related financial disclosures in the following key areas as recommended by the TCFD:

Governance

- a. Describe the board's oversight of climate-related risks and opportunities.
- b. Describe management's role in assessing and managing climate-related risks and opportunities.

Refer to the section above 'Sustainability Governance Structure' for details on our governance structure.

Strategy

- a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.
- b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

We recognise that climate change poses different types of risks to our business. The Group's assessment on potential implication of the above climate-related risks was undertaken based on the Network of Central Banks and Supervisors for Greening the Financial System ("NGFS") range of climate scenarios:

SUSTAINABILITY REPORT

Scenario	Description
Hot House World (Current Policies)	While many countries have started to introduce climate policies, they remain insufficient to achieve official commitments and targets. If additional measures are not implemented, global temperature could rise 3°C or more by 2100. This would result in deteriorating living conditions in many parts of the world and lead to some irreversible impacts like sea-level rise. Physical risks to the economy could result from disruption to ecosystems, health, infrastructure, and supply chains.
Orderly (Net Zero 2050)	Achieving a target of net-zero global CO ₂ emissions by 2050 will require an ambitious transition across all sectors of the economy. This scenario highlights the importance of decarbonising the electricity supply, increasing electricity use, increasing energy efficiency and developing new technologies to tackle hard-to-abate emissions. Transition risks to achieving the target could result from higher emissions costs, and changes in business and consumer preferences, whilst minimising physical risks.

We selected NGFS’s Orderly and Hot House World scenarios for the purpose of our qualitative climate scenario analysis. The impact of the climate-related risks is analysed on Group-wide activities in the short term (within 5 years, until FY2028), medium term (between 5 and 20 years, between FY2029 and FY2043) and long term (above 20 years, FY2044 onwards). Based on the above-mentioned scenarios, the climate-related risks and opportunities identified by the Group during the climate-related risk assessment exercise includes the following:

Physical Risk

Physical Risk 1: Increased Severity of Extreme Weather Events			
Description	Adverse changes in climate patterns such as rising temperatures and extreme weather events (such as floods) may lead to adverse impact and cause damage to our strategic assets such as network infrastructure and equipment. Such disruptions impair service availability, delay restoration efforts and will consequentially negatively impact the revenue of our business operations.		
	Additionally, with rising temperatures and more frequent heatwaves resulting from global warming and climate change, the risks of increased cooling expenditures and reduced labour productivity are expected to rise.		
Financial Impact	We remain vigilant in monitoring the impact of climate change on our operations, mindful of the USD16 million per hour arising from climate-related damage.		
	Short term	Medium term	Long term
Scenario: Hot House World			
Scenario: Orderly			
Mitigation Measure	We have put in place a climate change transition plan to steer us on our decarbonisation journey.		
	You may refer to section ‘Energy Conservation and GHG Emissions Reduction’.		
Climate-related Opportunity	In view of the potential environmental risks and the resultant emerging needs for energy efficiency and lower emissions, the Group recognises the opportunity to invest in energy efficient technologies and renewable energy use.		

SUSTAINABILITY REPORT

Transition Risk

Transition Risk 1: Enhanced GHG Emissions Reporting Obligations			
Description	<p>With rising concerns over the effects of climate change, key stakeholders such as Regulators and Shareholders are requiring the reporting of climate-related information. Failure to comply with enhanced GHG emissions reporting obligations may lead to adverse impacts on the Group's reputation and financial performance.</p> <p>These new requirements necessitate the investment of manpower resource in more comprehensive data collection, analysis and reporting processes, greater involvement from management, and additional costs for consultants and employee training.</p>		
Financial Impact	Short term	Medium term	Long term
	Scenario: Hot House World		
	●	●	●
	Scenario: Orderly		
	●	●	●
Mitigation Measure	<p>To strengthen our sustainability governance structure, we have put in place a SC for managing and monitoring our material Sustainability Factors, including working with the various business units and corporate functions to ensure that these are integrated into our day-to-day operations.</p> <p>In addition, we have established terms of reference for component parties involved in the sustainability reporting process, for clarity and accountability purposes.</p>		
Climate-related Opportunity	<p>The enhanced emissions reporting obligations and increase in regulatory costs will raise climate awareness among our employees.</p> <p>With more defined job responsibilities and training, the Group will also be better positioned to use energy resources responsibly and adopt environmentally friendly practices.</p>		

Legend ● Minor ● Moderate ● Major

This assessment will guide our future resilience measures and scenario analysis, subject to market trends and evolving requirements. In terms of our business strategy and financial planning based on the scenarios above, we will continue to formulate adaptation and mitigation plans and explore allocating resources towards transitioning to low-carbon practices. We strive to minimise the climate risks associated with our business and will seize opportunities in an effective manner such as expanding collaboration and partnership with key stakeholders to innovate and develop low carbon goods and services for the market.

c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The resilience of an organisation's strategy is dependent on its ability to adapt and thrive in the face of changing circumstances and emerging risks. Climate scenario analysis plays a key role in providing insights into the potential extent of the climate-related risks and opportunities for our business.

Through our climate scenario analysis, we concluded that under hot house world scenario (> 3°C warming), unmitigated risks of increased severity of extreme weather events may lead to moderate and severe financial impacts in the medium and long term. Under Orderly scenario (<2°C warming), the climate-related risks identified are not expected to result in significant financial impacts in the short, medium, or long term.

SUSTAINABILITY REPORT

To address the risks and capitalise on opportunities associated with climate change, we will continuously refine our strategy to remain resilient throughout our sustainability journey.

Risk Management

- a. Describe the organisation's processes for identifying and assessing climate-related risks
- b. Describe the organisation's processes for managing climate-related risks.
- c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Climate-related risk management is integrated into our ERM framework, where potential climate-related risks are identified, assessed, monitored and managed. Business units and functions are responsible for identifying and documenting the climate-related risks that may impact their progress towards contributing to the Group's business objectives. These risks, along with corresponding opportunities and mitigation plans, are reviewed and updated during the ERM exercise. The updated information is then presented to the ARMC and the Board, alongside other key enterprise-wide risks. Additionally, climate-related risks are continuously monitored through the analysis of climate-related Sustainability Metrics.

Metrics and Targets

- a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

We track, measure and report on our environmental performance, including energy, GHG emissions, water and waste management and disclose related metrics in our sustainability reports. Monitoring and reporting these metrics help us in identifying areas with key climate-related risks, enabling us to be more targeted in our efforts.

- b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.

To support the climate change agenda, we disclose our Scope 1, Scope 2 and selected Scope 3 GHG emissions in this Report and set climate-related targets such as those related to GHG emissions. We will continue to monitor our GHG emissions and expand our disclosure for our Scope 3 GHG emissions wherever applicable and practicable.

Our disclosure on indirect GHG emissions (Scope 3) includes purchased goods and services (category 1) and employee commuting (category 7) in FY2025.

- c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

As a commitment towards mitigating climate change, we set climate-related targets related to GHG emissions, water conservation and waste management. For further details, please refer to the relevant targets under 'Targets and Progress' section of this Report.

SUSTAINABILITY REPORT

INDUSTRY-BASED GUIDANCE ON IMPLEMENTING CLIMATE-RELATED DISCLOSURE METRIC

The sustainability disclosure metrics are based on the IFRS Sustainability Disclosure Standards Industry-Based Guidance for implementing climate-related disclosure (Volume 58 – Software and IT Services) for our technology business. The details are as follows:

Sustainability Metric

Topic	Sustainability Metric	Unit of Measurement	FY2025
Environmental Footprint of Hardware Infrastructure	Total energy consumed	GJ	Refer to the section 'Energy Conservation and GHG Emissions Reduction'
	Percentage grid electricity	%	
	Percentage renewable	%	
	Total water withdrawn	Cu M	Refer to the section 'Water Conservation'
	Total water consumed, percentage of each in regions with high or extremely high baseline water stress	%	
	Discussion of the integration of environmental considerations into strategic planning for data centre needs	NA	Not applicable to our business as we do not develop, own, or operate data centres.
Managing Systemic Risks from Technology Disruptions	Number of performance issues	Number	Not applicable to our business as we do not own or design any software or technology. We merely implement the technology/software provided by our vendors for our customers.
	Number of service disruptions	Number	
	Number of total customer downtime	Number	
	Description of business continuity risks related to disruptions of operations	NA	

Activity Metric

Activity Metric	FY2025
Number of licences or subscription, percentage cloud-based	Not applicable to our business as we do not own the licenses or subscriptions nor develop, own, or operate data centres.
Data processing capacity, percentage outsourced	
Amount of data storage, percentage outsourced	

SUSTAINABILITY REPORT

APPENDIX 1 KEY ASSUMPTION

The key assumptions reflect the current market conditions, regulatory landscapes, and stakeholder expectations. Details of the scopes and assumptions for our scenario analysis and climate change transition plan are as follows:

Disclosure	Assumption
Scenario Analysis	<p>Our climate change transition plan, including levers and detailed action plans, assumed certain future events, trends, plans, expectations and objectives relating to the Group’s business operations, in setting our targets. It is also prepared based on the current operating environment, which includes policies and plans undertaken by governments and other stakeholders.</p> <p>Accordingly, these assumptions are subjected to inherent uncertainties including (but not limited to) changes in regulatory requirements, progress in technological developments, stakeholders’ action and reaction and other external factors that are beyond the Group’s control.</p> <p>As such, our climate change transition plan may be reviewed and updated over time to reflect evolving circumstances and availability of new information.</p>
Climate Change Transition Plan	<ul style="list-style-type: none"> ▪ In assessing the potential implications of climate-related risks based on NGFS range of climate scenarios, we also considered alternate range of climate scenarios from the International Energy Agency and the Representative Framework and made various assumptions adopted in such frameworks. ▪ The scenario analysis performed is dependent on the said assumptions under the NGFS range of scenarios. Key assumptions are as follows: <ul style="list-style-type: none"> (i) Orderly (Net Zero 2050): Assumes that ambitious climate policies and technological shifts are introduced immediately and forcefully impact the economy. (ii) Hot House World (Current Policies): Assumes that only currently implemented policies are preserved, leading to high physical risks. Emissions grow leading to a temperature increase of about 3°C. Investment allocation and energy mix do not change. ▪ Constant growth is assumed when assessing financial and environmental impact. ▪ The scenario analysis includes a modelling process, which is constantly changing as the operating environment evolves, and contains uncertainties and limitations that are commonly associated with scenario analysis.

SUSTAINABILITY REPORT

APPENDIX 2 GRI CONTENT INDEX

Statement of Use	Nera Telecommunications Ltd has reported the information cited in this GRI content index for the period from 1 January 2025 to 31 December 2025 with reference to the GRI Standards
GRI 1 Used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location and Omissions
GRI 2: General Disclosures 2021	2-1 Organisational details	Pages 4-5
	2-2 Entities included in the organisation's sustainability reporting	Page 4
	2-3 Reporting period, frequency and contact point	Pages 14-15
	2-4 Restatements of information	No restatements of information
	2-5 External assurance	Page 14
	2-6 Activities, value chain and other business relationships	Page 14
	2-7 Employees	Pages 29-32
	2-8 Workers who are not employees	We have 6 workers who are not employees, engaged for specific projects as of 31 December 2025
	2-9 Governance structure and composition	Pages 6-8
	2-10 Nomination and selection of the highest governance body	Pages 54-56
	2-11 Chair of the highest governance body	Pages 6-7, 53-54
	2-12 Role of the highest governance body in overseeing the management of impacts	Pages 15-18
	2-13 Delegation of responsibility for managing impacts	Pages 15-18
	2-14 Role of the highest governance body in sustainability reporting	Pages 15-18
	2-15 Conflicts of interest	Pages 46-47
	2-16 Communication of critical concerns	Pages 34, 64-65
	2-17 Collective knowledge of the highest governance body	Pages 15-18

SUSTAINABILITY REPORT

GRI Standard	Disclosure	Location and Omissions
	2-18 Evaluation of the performance of the highest governance body	Pages 55-56
	2-19 Remuneration policies	Pages 56-61
	2-20 Process to determine remuneration	Pages 56-61
	2-21 Annual total compensation ratio	Information is not provided due to confidential constraints.
	2-22 Statement on sustainable development strategy	Page 12
	2-23 Policy commitments	Pages 16-41
	2-24 Embedding policy commitments	Pages 16-41
	2-25 Processes to remediate negative impacts	Pages 34-36, 62-64
	2-26 Mechanisms for seeking advice and raising concerns	Pages 15, 64-65
	2-27 Compliance with laws and regulations	Pages 16-41, 64-65
	2-28 Membership associations	We do not hold any significant role in membership associations
	2-29 Approach to stakeholder engagement	Pages 15-34
	2-30 Collective bargaining agreements	None of our employees are covered by collective bargaining agreements.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Pages 16-34
	3-2 List of material topics	Pages 20-39
	3-3 Management of material topics	Pages 20-39
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 21
	201-2 Financial implications and other risks and opportunities due to climate change	Pages 36-40
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Pages 33-34
	205-3 Confirmed incidents of corruption and actions taken	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Pages 24-28
	302-3 Energy intensity	
GRI 303: Water and Effluents 2018	303-5 Water consumption	Pages 23-28

SUSTAINABILITY REPORT

GRI Standard	Disclosure	Location and Omissions
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Pages 25-29
	305-2 Energy indirect (Scope 2) GHG emissions	
	305-3 Other indirect (Scope 3) GHG emissions	
	305-4 GHG emissions intensity	
GRI 306: Waste	306-1 Waste generation and significant waste-related impact	Page 25
	306-2 Management of significant waste-related impact	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Pages 30-32
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Page 28
	403-10 Work-related ill health	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Pages 29-30
	404-2 Programmes for upgrading employee skills and transition assistance programmes	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pages 32-33
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Pages 31-32
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Pages 32-33

CORPORATE GOVERNANCE REPORT

Nera Telecommunications Ltd (the “Company” or the “Group”) is committed to high standards of corporate governance to ensure greater transparency and protect the interests of its employees, customers and shareholders. The Board of Directors (“Board”) and Management believe that good corporate governance is key to the integrity of the Group and essential to the long-term sustainability of the Group’s businesses and performance.

To discharge its governance function, the Board and its committees have established policies and rules to govern their activities. The Board and its committees are guided by their respective Terms of References.

The Board is pleased to report to its shareholders on the Company’s corporate governance practices for the financial year ended 31 December 2025 (“FY2025”) with specific reference to each provision of the Code of Corporate Governance 2018 (the “Code”) issued in August 2018. The Board confirms that the principles and provisions of the Code have been adhered to and to the extent that the Company’s practices may vary from the provisions of the Code, the Company has explained in this report how its practices are consistent with the intent of the relevant principles of the Code.

BOARD MATTERS

The Board oversees the overall strategy and business direction of the Group and is collectively responsible for its success. The Management plays a pivotal role in providing Board members with complete, adequate and timely information to assist the Board in the fulfilment of its responsibilities.

PRINCIPLE 1: THE BOARD’S CONDUCT OF AFFAIRS

Provision 1.1

Board’s Role

The principal functions of the Board include, inter alia, providing entrepreneurial leadership, setting strategic objectives, monitoring Management’s performance, establishing a framework for prudent and effective control for risk management, safeguarding shareholders’ interests and the Company’s assets as well as setting values and standards (including ethical standards) for the Company. The Board is also mindful of the Company’s social responsibilities.

The Board sets the directions for the Company where ethics and values are concerned. This helps to nurture an environment where integrity and accountability are key.

The Board’s Conduct of Affairs

The principal functions of the Board include, inter alia:

- (a) Providing entrepreneurial leadership, setting key business and financial strategic objectives and strategies and ensuring necessary financial and human resources are in place for the Company to meet those objectives;
- (b) Approving the annual budget, major investments and divestments, and funding proposals;
- (c) Reviewing and monitoring Management’s performance;
- (d) Establishing a framework for the oversight of prudent and effective internal controls, risk management, financial reporting and compliance; and
- (e) Assuming responsibility for good corporate governance to protect the Company’s assets and enhancing the long-term value of the Company for its shareholders.

CORPORATE GOVERNANCE REPORT

Objective Decision Making

The Board exercises due diligence and independent judgment in dealing with the business affairs of the Group and works with the Management to take objective decisions in the interest of the Group.

Any Director who has a conflict of interest which is likely to impact his or her independence or conflict with a subject under discussion by the Board is required to immediately declare his or her interest to the Board, remove himself or herself from the information flow and recuse from participating in any further discussion or voting on the subject matter.

Provision 1.2

Continuous Training and Development of Directors

Management and Professional Advisers keep the Directors up-to-date on pertinent developments in the business including changes to laws and regulations, corporate governance, financial reporting standards and industry-related matters. Such periodic updates are provided to Directors to facilitate the discharge of their duties.

The Directors attend appropriate courses, conferences and seminars conducted by various Regulatory Authorities, Financial Institutions and Professional Consultants, for example, the Singapore Institute of Directors (SID), Singapore Stock Exchange (SGX) and Institute of Singapore Chartered Accountants (ISCA). Funding is also provided in support of relevant training for Directors.

Directors are also encouraged to read and actively engage in informal discussions on subjects which are relevant to the Group's business.

As at the date of this Report, Mr Andy Wang, Yung-Hsiang, being a newly appointed Director in FY2025, is in the process of completing the mandatory training as prescribed by the SGX-ST and shall endeavour to complete the same soonest practicable, and in any event, by July 2026. Further, as an update, Mr Steve Chu, Fu-Chuan, Mr Eric Yu, Ling-Hsiao and Ms Jenny Teng Mui, being newly appointed Directors in FY2024, have completed the mandatory training, including the mandatory sustainability training, as prescribed by the SGX-ST.

Appointment Letter to new Directors

Orientation programmes will be organised during the year for new incoming Directors to ensure that they are familiar with the Company's key businesses and corporate governance practices. This allows the new Directors to get acquainted with Senior Management, thereby facilitating Board interaction and independent access to Senior Management. Directors may also at any time request further explanations, briefings and informal discussions on any aspect of the Company's operations or business.

Provision 1.3

Internal Guidelines on Matters Requiring Board Approval

The Company has adopted internal guidelines governing matters that require the Board's approval.

Matters which are specifically reserved to the Board for approval are:

- (a) Strategic business plans and policies of the Group;
- (b) Annual budgets;

CORPORATE GOVERNANCE REPORT

- (c) Material acquisitions and disposal of assets;
- (d) Corporate or financial restructuring;
- (e) Share issuances, interim dividends and other returns to shareholders;
- (f) Matters involving a conflict of interest for a substantial shareholder or a director; and
- (g) Terms of reference of the Board and its Committees.

The matters which are specifically decided and approved by the Board are clearly documented in the minutes of meetings and kept with the Company.

Provision 1.4

Delegation of Authority to Board Committees

The Board is supported by a number of committees to assist it in the discharge of its responsibilities and also enhance the Company's corporate governance framework. These committees include the Nominating Committee ("NC"), the Remuneration Committee ("RC") and the Audit and Risk Management Committee ("ARMC"). Each Board committee has its own specific Terms of Reference setting out the scope of its duties and responsibilities, rules and regulations, and procedures governing the manner in which it is to operate and how decisions are to be taken.

Provision 1.5 & 1.6

Meetings of Board and Board Committees

The Board and its committees meet regularly through scheduled meetings and as warranted by particular circumstances. A schedule of meetings is provided in advance to each Director prior to the commencement of each Financial Year. If Directors are unable to attend meetings in person, telephonic means of communication are allowed under the Constitution of the Company. To enable members of the Board and its committees to prepare for the meetings, agendas together with Board papers and related materials are circulated within five (5) working days before the meetings.

The Board normally meets at least four (4) times a year with additional meetings convened as and when necessary.

During FY2025, the Company held six (6) Board Meetings.

Multiple Board Representations

All Directors are required to declare their Board Representations. The NC considers that the multiple Board representations held presently by its Directors do not impede their respective performance in carrying out their duties to the Company.

The Directors had committed considerable time towards the many Board meetings and Board Committee meetings held in FY2025 and adjusted their schedules to ensure participation in Board and Board Committee meetings for the deliberation of issues. The NC finds the Directors have committed their time effectively to discharge their responsibilities.

CORPORATE GOVERNANCE REPORT

A record of the Directors' attendance at the Board and Board Committee meetings as well as General Meeting for the financial year ended 31 December 2025 is set out below:

2025 Meeting Attendance*	Board Meetings	Audit and Risk Management Committee Meetings	Remuneration Committee Meetings	Nominating Committee Meetings	General Meetings ¹
Number of meetings held in FY2025	6	5	3	3	2
Name of Directors	Number of meetings attended				
Mr Steve Chu, Fu-Chuan, Chairman ²	6/6	5/5	3/3	3/3	2/2
Mr Basil Chan	6/6	5/5	3/3	3/3	2/2
Mr Eric Yu, Ling-Hsiao ³	6/6	5/5	3/3	3/3	2/2
Mr Raymond Lum Wai Meng	6/6	5/5	3/3	3/3	2/2
Ms Jenny Teng Mui Keow	6/6	5/5	3/3	2/3	2/2
Mr Andy Wang, Yung-Hsiang ⁴	2/2	2/2	–	1/1	–

* Referred to meetings held/attended while each Director was in office in FY2025.

1 During FY2025, one (1) Annual General Meeting and one (1) Extraordinary General Meeting was held.

2 Mr Steve Chu, Fu-Chuan was re-designated as the Executive Chairman and Executive Director of the Company with effect from 8 April 2025.

3 Mr Eric Yu, Ling-Hsiao was re-designated as an Executive Director of the Company with effect from 1 July 2025.

4 Mr Andy Wang, Yung-Hsiang was appointed as a Non-Independent Non-Executive Director of the Company with effect from 1 July 2025. Mr Andy Wang, Yung-Hsiang was invited to attend the NC meeting in question in relation to his appointment.

Board's Access to information

The Board is supported by accurate, complete and timely information, and has unrestricted access to Management. Management places a high priority on providing timely and accurate information to the Board on an on-going basis, in order for the Directors to discharge their duties efficiently and effectively. Board members receive quarterly management reports pertaining to the operational and financial performance of the Company, including updates on the Company's financials, cash flow positions and forecasts, budget variance reports, order in-take, order backlog and sales pipelines. The Board will also be updated on industry trends and developments.

Provision 1.7

Board's Access to Management and Company Secretary

The Board has at all times separate and independent access to the Management through electronic mail, telephone and face-to-face meetings and are entitled at all times to request for any additional information needed to make informed decisions. Similarly, key Management staff, the Company's auditors or external consultants are invited to attend Board and Board Committee meetings to update and provide independent professional advice on specific issues, where necessary.

Directors have separate and independent access to the Company Secretary through electronic mail, telephone and face-to-face meetings.

CORPORATE GOVERNANCE REPORT

The role of the Company Secretary includes the responsibility for ensuring that Board procedures are followed, and applicable rules and regulations are complied with. Further, the Company Secretary assists in coordinating the flow of information within the Board and Board Committees as well as between the Management and the Board. The Company Secretary also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes.

Appointment and Removal of Company Secretary

The appointment and removal of the Company Secretary is subject to the approval of the Board.

Board's Access to Independent Professional Advice

Where required, procedures are also in place for the Board and individual Board Committees to seek independent professional advice, paid for by the Company.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

Provisions 2.1, 2.2 & 2.3

Independent Element of the Board, Composition of Independent Directors and Non-Executive Directors on the Board

As at the date of this Report, the Board comprises six (6) Directors, two (2) of whom are Executive Directors, one (1) of whom is a Non-Independent and Non-Executive Director, and the remaining three (3) Directors are Independent and Non-Executive Directors. In addition, as the Chairman of the Board is not an Independent Director, the Company had re-designated Mr Basil Chan as the Lead Independent Non-Executive Director of the Company with effect from 28 October 2024.

Accordingly, although the Company is in compliance with the Listing Rules as the Independent and Non-Executive Directors make up more than one-third of the Board (three (3) Independent and Non-Executive Directors out of a six (6) member Board), the Company acknowledges that this constitutes a variation from Provision 2.2 of the Code as the Independent Directors do not make up a majority of the Board when the Chairman is not independent. Nonetheless, the Company is of the view that the intent of Principle 2 was met, as the Company had implemented measures to provide a strong independent element on the Board. These measures include the following:

- (a) having a Lead Independent Non-Executive Director who is available to Shareholders if they have concerns;
- (b) the Chairman of various Board Committees (ARMC, RC and NC) are Independent Non-Executive Directors;
- (c) the ARMC comprises a majority of Independent Non-Executive Directors and entirely of Non-Executive Directors as its members;
- (d) the RC comprises entirely of Independent Non-Executive Directors as its members;
- (e) the NC comprises a majority of Independent Non-Executive Directors as its members; and
- (f) at the Board level, generally, the Independent Non-Executive Directors would be able to ensure that all matters to be passed are in the interests of the Company and minority shareholders, as at least one (1) Independent Non-Executive Director must vote in favour of the proposed resolutions in order for majority of the Board to approve the matters in question (i.e., the two (2) Executive Directors and one (1) Non-Independent Non-Executive Director are not able to pass resolutions on their own).

CORPORATE GOVERNANCE REPORT

As such, there is still a strong independent element on the Board, capable of open, constructive and robust debate on pertinent issues affecting the affairs and business of the Company and the Group. Hence, the Company is of the view that it has complied with the intent of Principle 2 despite varying from Provision 2.2.

Independence of Directors

The NC, in its deliberation as to the independence of a Director, takes into consideration examples of relationships as set out in the Code, and considers whether a Director has business relationships with the Group, and if so, whether such relationships can interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent judgment.

The NC, having considered the assessment made by the Directors on the independence status of Mr Basil Chan, Mr Raymond Lum Wai Meng and Ms Jenny Teng Mui Keow and other relevant factors, has determined that each has no relationship with the Company, its related corporations, its substantial shareholders or its officers and is also independent of the executive functions of the Company. In the discharge of their duties, they had exercised their independent business judgment in the best interest of the Company. In particular, Mr Basil Chan, Mr Raymond Lum Wai Meng and Ms Jenny Teng Mui Keow (a) have not been employed by the Company or any of its related corporations in the current or any of the past three (3) financial years; and (b) do not have any immediate family members who are employed by the Company or any of its related corporations in the current or any of the past three (3) financial years, and whose remuneration is or was determined by the RC.

In this respect, the Board, with the recommendation and concurrence of the NC, affirmed that Mr Basil Chan, Mr Raymond Lum Wai Meng and Ms Jenny Teng Mui Keow remain as Independent Directors of the Company and each abstained from the discussions and taking a decision in respect of their own independence.

Further, under Listing Rules of SGX-ST which took effect from 11 January 2023, an Independent Director will not be considered independent if he or she has been a director of the issuer for an aggregate period of more than nine (9) years (whether before or after listing). Such director may continue to be considered independent until the conclusion of the next annual general meeting of the issuer.

The Board confirms that none of the Independent Directors has served as a director of the Company for an aggregate period of more than nine (9) years (whether before or after listing).

Provision 2.4

Composition and Size of the Board

The Company recognises and embraces the importance of diversity at the Board level and sees diversity as an essential element to ensuring the achievement of its strategic objectives. The Company has adopted a Board Diversity Policy, with the NC responsible for reviewing and assessing the Board composition on behalf of the Board, and recommending the appointment of new directors.

The Company's Board Diversity Policy endorses the principle that the Board should have an appropriate mix of skills, knowledge and experience required to effectively oversee and support the management of the Company. Selection of candidates will be based on a range of diversity perspectives, including the balance of skills, knowledge, experience, age and gender.

CORPORATE GOVERNANCE REPORT

As at the date of this Report, a summary of the composition of the Board and its Committees is set out below:

Director	Board	ARMC	NC	RC
Mr Steve Chu, Fu-Chuan ¹	Executive Chairman and Executive Director	–	–	–
Mr Basil Chan	Lead Independent Non-Executive Director	Chairman	Member	Chairman
Mr Eric Yu, Ling-Hsiao ²	Executive Director	–	Member	–
Mr Raymond Lum Wai Meng	Independent Non-Executive Director	Member	Chairman	Member
Ms Jenny Teng Mui Keow	Independent Non-Executive Director	Member	–	Member
Mr Andy Wang, Yung-Hsiang ³	Non-Independent Non-Executive Director	Member	–	–

¹ Mr Steve Chu, Fu-Chuan was re-designated as the Executive Chairman and Executive Director of the Company with effect from 8 April 2025.

² Mr Eric Yu, Ling-Hsiao was re-designated as an Executive Director of the Company with effect from 1 July 2025.

³ Mr Andy Wang, Yung-Hsiang was appointed as a Non-Independent Non-Executive Director of the Company with effect from 1 July 2025.

Having reviewed and considered the composition and diversity of the Board and its committees, the NC has determined that the current Board size and structure is adequate for the business operations of the Company.

With reference to diversity, in terms of skills, knowledge, experience, amongst the Directors on the Board are IT, finance & accounting, operations & management, supply chain management, cybersecurity, mergers & acquisitions, and corporate governance. The Board as a whole possesses relevant and diverse expertise and skill sets for effective decision making. Key information regarding the profile of Directors is set out on pages 6 to 7 of this Annual Report.

In terms of gender diversity, the Company has set a target to ensure that the Board has a minimum of one (1) female director on the Board. As at the date of this Report (and throughout FY2025), one (1) out of the six (6) Directors in the Board is female. Accordingly, the Company has achieved its target set under the Board Diversity Policy. Nonetheless, given the importance of gender as a part of board diversity, the NC will continually assess the diversity needs of the Board as the Company grows over time and will prioritise the appointment of more female directors to the Board as may be appropriate in the future.

In view of the foregoing, the NC with the concurrence of the Board, is of the opinion that the current Board size of six (6) Directors, is appropriate and that it provides the appropriate balance and mix of skills, knowledge, experience and other aspects of diversity in order to avoid groupthink and foster constructive debate.

The NC will review the Board Diversity Policy from time to time and also continually assess and institute board diversity targets when the need arises.

Competency of the Board

To assist the NC in its annual review of the Directors' mix of skills, knowledge and experiences that the Board requires for it to function competently and efficiently, the Directors complete a Board of Directors Competency Matrix form providing information on their areas of specialisation and expertise. The NC reviews and subsequently presents the results to the Board for further consultation, highlighting key areas for improvement.

CORPORATE GOVERNANCE REPORT

Provision 2.5

Regular Meetings of Non-Executive Directors and Independent Directors

During the year under review, the Non-Executive Directors and Independent Directors communicate among themselves without the presence of Management as and when the need arises. The Chairman of the meeting then provides feedback to the Board and/or Management, as appropriate. The Company also benefitted from Management's ready access to its Directors for guidance and exchange of views both within and outside the formal environment of the Board and Board Committee meetings.

PRINCIPLE 3: CHAIRMAN AND CEO

Provisions 3.1 & 3.2 Roles and Responsibilities of Chairman & CEO

For the year under review, the functions of the Chairman and the then-CEO were assumed by two (2) separate individuals so as to ensure effective supervision and maintenance of an appropriate balance of power and authority. There was a clear demarcation between the roles of the Chairman and the then-CEO, which promoted increased accountability and a greater capacity of the Board for independent decision making.

As of 1 January 2025, Mr Steve Chu, Fu-Chuan was a Non-Independent Non-Executive Director. He is responsible for the overall leadership of the Board and engages Senior Management regularly on pertinent issues. He approves the agendas for Board Meetings and promotes a culture of open and free discussion amongst the Directors. He also ensures that the Board receives timely and accurate information from Management, and provides valuable insight, guidance and advice on corporate governance systems and processes.

As at the date of this Report and as disclosed in the Company's announcements dated 24 March 2025, Mr Chong Hoi Ming had resigned as the Company's CEO effective from 8 April 2025. Accordingly, the Company presently does not have a CEO. While Mr Chong Hoi Ming was CEO, he led the Management and had full executive responsibility for the overall management and performance of the Group's business. He translated the Board's decisions into executive action and was accountable to the Board.

As at the date of this Report and as disclosed in the Company's announcements dated 24 March 2025, Mr Steve Chu, Fu-Chuan was re-designated as the Executive Chairman of the Company with effect from 8 April 2025, and he shall be responsible for the overall management of the Group.

Notwithstanding the above, the Board is able to exercise its powers objectively and independently from the Management. The Board consists of a majority of Non-Executive Directors, including three (3) Independent Non-Executive Directors. In addition, as disclosed under Provision 3.3 below, to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making, Mr Basil Chan has been re-designated as the Lead Independent Director with effect from 28 October 2024.

Provision 3.3

As the Chairman of the Company is not an Independent Director, the Board had re-designated Mr Basil Chan as the Lead Independent Non-Executive Director of the Company with effect from 28 October 2024.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 4: BOARD MEMBERSHIP

Provision 4.1 and 4.2

NC Membership and Terms of Reference

The NC comprises three (3) members, majority of whom, including the Chairman, are independent. The composition of the NC is as follows:

Mr Raymond Lum Wai Meng (Chairman)	(Independent Non-Executive Director)
Mr Basil Chan	(Lead Independent Non-Executive Director)
Mr Eric Yu, Ling-Hsiao	(Executive Director)

During the year under review, the NC held three (3) meetings, which all members at the material times attended.

The principal functions of the NC are:

- (a) To identify candidates, review nominations for both appointment and re-appointment of the Directors to the Board for the Board's approval. When assessing new candidates, the proposed appointee's background, experience and other board memberships will be taken into consideration. The NC also reviews the Board's succession plans for the Directors, CEO, and Senior Management;
- (b) To review the Board structure, size, competencies including the composition of the Board generally and the balance between executive and non-executive Directors appointed to the Board, and make recommendations to the Board with regard to any adjustments that are deemed necessary;
- (c) To review the independence of each Director annually;
- (d) To decide whether a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly when the Director has multiple Board representations;
- (e) To assess the effectiveness of the Board and contribution of each Director to the effectiveness of the Board; and
- (f) To review suitable training and professional development programmes for the Board and its Directors.

NC Responsibilities

The key responsibilities of the NC include making recommendations to the Board on relevant matters such as the process for evaluating the performance of the Board as a whole. It also ensures compliance with the provisions of the Constitution of the Company which stipulates that at each AGM, one-third of the Directors, (or, if their number is not three or a multiple of three, the number nearest to one-third), shall retire from office by rotation in accordance with the Constitution, and may stand for re-election.

Each member of the NC abstains from voting on any resolution and making any recommendation and/or participating in respect of matters in which he/she is interested.

In accordance with the Constitution of the Company, new Directors must submit themselves for re-election at the next Annual General Meeting of the Company and one-third of the Directors must retire by rotation at each Annual General Meeting and they shall be available for re-election.

CORPORATE GOVERNANCE REPORT

The NC (with Mr Basil Chan abstaining in relation to his re-election as a Director of the Company) has recommended the nomination of the following Directors retiring under Regulation 94 of the Constitution of the Company, selected in accordance with Regulation 95 of the Constitution of the Company, for re-election at the forthcoming AGM:

- (i) Mr Basil Chan (Regulation 94)
- (ii) Mr Eric Yu, Ling-Hsiao (Regulation 94)

Further, the NC has recommended the nomination of the following Director retiring under Regulation 100 of the Constitution of the Company, for re-election at the forthcoming AGM:

- (i) Mr Andy Wang, Yung-Hsiang (Regulation 100)

Each of Mr Basil Chan, Mr Eric Yu, Ling-Hsiao and Mr Andy Wang, Yung-Hsiang have given their consent to remain in office and will submit themselves for re-election at the forthcoming AGM.

Upon re-election as Director, Mr Basil Chan will remain as the Lead Independent Non-Executive Director of the Company, the Chairman of the Audit and Risk Management Committee, the Chairman of the Remuneration Committee, and a member of the Nominating Committee; Mr Eric Yu, Ling-Hsiao will remain as the Executive Director of the Board (Mr Eric Yu, Ling-Hsiao was re-designated as an Executive Director of the Company with effect from 1 July 2025 and concurrently relinquished his positions as a member of the Audit and Risk Management Committee and a member of the Remuneration Committee) and a member of the Nominating Committee; and Mr Andy Wang, Yung-Hsiang will remain as a member of the Audit and Risk Management Committee.

As at the date of this Report, none of the Company's Independent Directors is appointed as Director on the Boards of the Group's principal subsidiaries in jurisdictions outside of Singapore.

Alternate Directors

There are no Alternate Directors on the Board.

Provision 4.4

Determining Directors' Independence

Each Director completes a checklist to confirm his/her independence on an annual basis, and as and when circumstances require. The NC has reviewed the independence of the Directors as mentioned under Provision 2.1 above and satisfied that none of the Independent Directors and their immediate family members are related with its related corporations, its substantial shareholders or its officers.

The Independent Directors have confirmed that they do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

Further details are set out in Provision 2.1 of this Corporate Governance Report.

CORPORATE GOVERNANCE REPORT

Provisions 4.3 and 4.5

Process for the Selection and Appointment of New Directors

The NC determines a suitable size and composition of the Board, and evaluates the balance of skills, knowledge and experience of members of the Board required to add value and facilitate effective decision-making, after taking into consideration the scope and nature of the operations of the Company. For the appointment of a new Director, a rigorous search process is undertaken by the NC which evaluates the academic and professional qualifications, knowledge and experience in relation to the business of the Group, independence status and other directorships of the candidate(s). Subsequently, the NC makes a recommendation to the Board for approval of the new Director.

New Directors are at present appointed by way of Board resolution or at the Board meeting based on the evaluation and recommendation made by the NC. Before making a recommendation to the Board for approval, searches are conducted and the NC ensures that the potential candidate possesses the necessary skills, knowledge, qualifications, working experience and other relevant factors that could facilitate the Board in making sound and well considered decisions. The incoming Director will also be required to undertake an assessment of independence.

A formal letter is sent to newly-appointed Directors upon his/her appointment stating his/her duties and obligations as director. This is to ensure that the newly-appointed Directors are aware of their duties and obligations.

Key Information on Directors

Key information of each member of the Board including directorships and chairmanships in other listed companies, other major appointments, academic/professional qualifications, membership/chairmanship in the Company's Board committees, date of first appointment and last re-election, principal commitments etc. can be found under the Directors' Profile section on pages 6 to 7 of this Annual Report.

PRINCIPLE 5: BOARD PERFORMANCE

Provisions 5.1 and 5.2

Board Performance

The Company has implemented a formal process to assess the Board as a whole, its committees, the Chairman, and each individual Director in their ability to discharge their responsibilities in providing stewardship, corporate governance and oversight of Management's performance.

For the year under review, Directors participated in the evaluation by providing feedback to the NC in the form of completing an overall Board Performance Evaluation, Board of Directors Committee Evaluation and Board of Directors Individual Assessment. To ensure confidentiality and frank assessment, the evaluation returns completed by Directors were submitted to the Company Secretary for collation and the consolidated responses were presented to the NC for review and discussion. The NC has reported to the Board on its review of the Board's performance for the year.

The Chairman will act on the results of the performance evaluation and propose, where appropriate, new members to be appointed to the Board or seek the resignation of Directors.

CORPORATE GOVERNANCE REPORT

Performance Criteria for Board Evaluation

The Board Performance Evaluation form is circulated and completed by each member of the Board annually. This involves scoring and an invitation for feedback on a number of key areas, including:

- (a) Board composition and size;
- (b) Board access to timely and accurate information;
- (c) Board processes;
- (d) Internal controls and risk management;
- (e) Board accountability to the shareholders;
- (f) Performance of each Board Committee;
- (g) Board interaction with CEO/Senior Management; and
- (h) Board's Standards of Conduct.

For FY2025, the NC duly observed the aforesaid process and criteria and was satisfied with the results of the review.

Evaluation of Individual Directors

The performance of Individual Directors is also evaluated annually by the NC. A peer review process is carried out, assessing each Director's contribution to the Board on a number of key areas, including:

- (a) Understanding of the Company's mission, strategic plans and long-term objectives;
- (b) Knowledge of the Group's business and operations;
- (c) Business acumen;
- (d) Knowledge of Corporate Governance and Committee work;
- (e) Contribution and engagement;
- (f) Communication and interaction;
- (g) Integrity; and
- (h) any other special contributions made.

Following the foregoing assessment, the Board is of the view that the Board and its Board Committees operate efficiently and that each Director is contributing to the overall effectiveness of the Board.

REMUNERATION MATTERS

Matters concerning remuneration of the Board, senior executives and employees who are related to the controlling shareholders and/or Directors (if any) are handled by the RC whose primary functions include development of formal and transparent policies on remuneration matters in the Company.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Provisions 6.1, 6.2 and 6.3

Remuneration Committee and Terms of Reference

The Remuneration Committee ("RC") comprises the following Directors, all of whom are Non-Executive and the majority, including the Chairman, are independent:

Mr Basil Chan (Chairman)	(Lead Independent Non-Executive Director)
Mr Raymond Lum Wai Meng	(Independent Non-Executive Director)
Ms Jenny Teng Mui Keow	(Independent Non-Executive Director)

During the year under review, the RC held three (3) meetings, which all members at the material times attended.

The RC is guided by its written Terms of Reference, which set out its authority and duties.

The principal functions of the RC are:

- (a) To review and recommend to the Board a general framework for remuneration for the Directors, CEO and Senior Management of the Company;
- (b) To recommend the remuneration of the Non-Executive Directors to the Board for approval at the Annual General Meeting;
- (c) To determine specific remuneration packages for each Executive Director, CEO, Senior Management and any relative of a Director and/or its substantial shareholders who is employed in a managerial position by the Company;
- (d) To review the Company's obligations arising in the event of termination of the Executive Directors, CEO and Senior Management's service contracts and to ensure that these service contracts contain fair and reasonable termination clauses which are not overly generous; and
- (e) To review the remuneration packages of employees related to Executive Director, CEO and substantial or controlling shareholders of the Group and to ensure that the remuneration of such employees are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibility.

Provision 6.4

RC's Access to Advice on Remuneration Matters

The RC has access to professional advice of external experts in the area of remuneration, where required and paid for by the Company.

No remuneration consultants were engaged by the Company during FY2025.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

Provision 7.1

Remuneration of Executive Director and Key Management Personnel

The Company's remuneration structure for its Executive Directors and Key Management Personnel comprises both fixed and variable components. The variable component is performance related and is linked to the Group/Company's performance as well as individual's performance. Such performance-related remuneration is designed to align with the interests of shareholders and other stakeholders and promote long-term success of the Group.

For the purpose of assessing the performance of the Executive Directors and Key Management Personnel, key performance indicators ("KPIs") are set out for each year.

Link between Remuneration and Performance

In determining the remuneration of the Executive Directors and Key Management Personnel, the RC reviewed their respective KPIs achievement and assessed their performance for the year.

The Executive Directors and Key Management Personnel variable remuneration is linked to performance targets as assigned by the RC. These performance targets incorporate Net Profit After Tax ("NPAT"), controls, regional or business lines profitability, strategic growth, operational improvements and securing of new customers. For FY2025, no bonuses were paid to any of the Executive Directors and Key Management Personnel as the Company incurred a net loss for the year.

Contractual Provisions

The Company does not have any contractual provisions in the employment contracts for the Company to reclaim incentive components of remuneration from Executive Directors and Key Management Personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company and the Group. This is because the Executive Directors owe a fiduciary duty to the Company. Hence, the Company should be able to avail itself to the full extent of the remedies available against the Executive Directors in the event of such breach of fiduciary duties, and need not rely on the use of contractual provisions to reclaim the same. Further, the Company should also be able to avail itself to the full extent of the remedies available under the law against the Key Management Personnel in the event of such incidents.

Provision 7.2

Remuneration of Non-Executive Directors

Non-Executive Directors have no service agreements with the Company. Each of the Non-Executive Directors receives a basic fee for serving on the Board. Directors who serve on the various Board Committees also receive additional fees in respect of each Board Committee that they serve on, with the Chairman of the Committees receiving a higher fee in respect of their service as Chairman of the respective Board Committees.

CORPORATE GOVERNANCE REPORT

The framework for Non-Executive Directors' fees for FY2025 is set out below:

	Chairman	Member
	S\$	S\$
Board of Directors (Non-Executive Director only)	52,000	27,000
Audit and Risk Management Committee	27,000	13,500
Nominating Committee	12,600	6,300
Remuneration Committee	12,600	6,300

No member of the RC or Director was involved in deciding his or her own remuneration.

The RC has proposed that the Directors' fees for FY2026 be set based on the table above. The Board concurred with the RC and recommended the same for approval by the shareholders at the AGM of the Company.

Provision 7.3

Remuneration Framework

To attract, retain and motivate Directors and employees, the RC establishes appropriate remuneration frameworks for the Directors and Key Management Personnel of the Company. Such frameworks are reviewed periodically to ensure that they remain relevant.

Short-term Incentive Scheme

To build a strong performance-based culture across the Company, a short-term incentive ("STI") scheme has been implemented to reward the achievement of Executive Directors and Key Management Personnel based on the targeted corporate and individual performance identified at the beginning of the performance cycle. It is also devised to motivate employees to achieve the Company's business goals, attract and retain talented senior executives critical to the success of the Company.

Employee Share Scheme

The Company has no share-based compensation scheme or any long-term scheme involving the offer of shares or options or other forms of deferred remuneration.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

Provisions 8.1 and 8.3

Remuneration Report

Details on the remuneration of Directors and Key Management Personnel for the year under review are presented in the following table.

CORPORATE GOVERNANCE REPORT

Remuneration of Directors and the then-CEO

The fees of the Independent and Non-Executive Directors are paid upon approval by the shareholders at the Annual General Meeting.

The breakdown (in dollar terms) for the remuneration and fees of the Directors and the then-CEO for the year ended 31 December 2025 is as follows:

Remuneration and Fees/Name of Directors and the then-CEO	Fees (\$)	Salary (\$)	Bonus (\$)	Total (\$)
S\$250,000 to S\$500,000				
Remuneration paid to Executive Chairman and Executive Director Mr Steve Chu, Fu-Chuan ⁽¹⁾⁽²⁾	19,081	357,047	–	376,128
Remuneration paid to the then-CEO Mr Chong Hoi Ming ⁽³⁾	–	434,705	–	434,705
	2%	98%	0%	100%
Below S\$250,000				
Remuneration paid to Executive Director Mr Eric Yu, Ling-Hsiao ⁽¹⁾⁽⁴⁾	24,850	80,004	–	104,854
	24%	76%	0%	100%
Below S\$250,000				
Fees paid to Independent and/or Non-Executive Directors				
Mr Basil Chan	72,900	–	–	72,900
Mr Raymond Lum Wai Meng	56,276	–	–	56,276
Ms Jenny Teng Mui Keow	46,800	–	–	46,800
Below S\$250,000				
Fees paid to Non-Independent and/or Non-Executive Director Mr Andy Wang, Yung-Hsiang ⁽⁵⁾⁽⁶⁾	20,416	–	–	20,416
Total Remuneration and Fees	240,323	871,756	–	1,112,079
	22%	78%	0%	100%

Notes:

- (1) Director's fee was pro-rated for the period he served as a Non-Executive Director prior to his re-designation.
- (2) Mr Steve Chu, Fu-Chuan was re-designated as the Executive Chairman and Executive Director of the Company with effect from 8 April 2025.
- (3) Mr Chong Hoi Ming's last day of service with the Company was on 8 April 2025.
- (4) Mr Eric Yu, Ling-Hsiao was re-designated as an Executive Director of the Company with effect from 1 July 2025.
- (5) Director's fee was pro-rated for the period he served on the Board during FY2025.
- (6) Mr Andy Wang, Yung-Hsiang was appointed as a Non-Independent Non-Executive Director of the Company with effect from 1 July 2025.

As disclosed in the Company's Annual Report for FY2024, the RC has proposed, and the Board has concurred, that the Directors' fees for FY2025 (which the fee structure for the Directors' fees for FY2026 was based on) would be adjusted to the reduced rates to assist the Company with cost savings. Please refer to the Company's Annual Report for FY2024 for further details.

CORPORATE GOVERNANCE REPORT

Under the Listing Rules of SGX-ST which will take effect for annual reports prepared for the financial year ending on or after 31 December 2024, listed companies are required to disclose the remuneration paid to individual Directors and the CEO by the Company and its subsidiaries.

On this basis, the Company will continue to disclose the remuneration paid to its individual Directors and the CEO (if any) of the Company in detail.

Remuneration of Key Management Personnel

The table below presents the remuneration details of the Company's top five (5) highest paid Key Management Personnel of the Company who received remuneration in the \$250,000 and \$500,000 band and below \$250,000 (in percentage terms) during the calendar year are set out below:

Name and Position of Key Management Personnel	Salary ⁽¹⁾	Bonus ⁽²⁾	Total	Remuneration Bands of S\$250,000 to S\$500,000 and below S\$250,000
Ms Tan Geok Leng Jacqueline ⁽³⁾ Chief Financial Officer	100%	0%	100%	S\$250,000 – S\$500,000
Mr Tan Jon-Chiang Don Senior Vice President, Group Sales	100%	0%	100%	S\$250,000 – S\$500,000
Mr Yong Keh Soon ⁽⁴⁾ Senior Vice President, Solutions and Services	100%	0%	100%	S\$250,000 – S\$500,000
Mr Yeo Choon Sheng ⁽⁵⁾ Vice President, Group Solutions and Head of Presales	100%	0%	100%	Below S\$250,000
Mr Phil Jeon ⁽⁶⁾ Vice President of Cybersecurity	100%	0%	100%	Below S\$250,000
Total Remuneration of Top 5 Key Management Personnel	100% \$1,058,813	0% –	100% \$1,058,813	

Notes:

(1) Salary includes allowances, benefits in-kind and statutory contributions.

(2) Bonus includes statutory contributions.

(3) Ms Tan Geok Leng Jacqueline's last day of service with the Company was on 9 December 2025.

(4) Mr Yong Keh Soon's last day of service with the Company was on 23 February 2026.

(5) Mr Yeo Choon Sheng's last day of service with the Company was on 19 September 2025.

(6) Mr Phil Jeon's last day of service with the Company was on 11 January 2025.

The Code recommends the disclosure of the aggregate remuneration paid to the top five (5) key management personnel (who are not Directors or the CEO).

Provision 8.2

Employee Related to Directors/CEO/Substantial Shareholders

There is no employee who is an immediate family member of a Director, CEO or Substantial Shareholder of the Company, whose remuneration exceeded \$100,000 during FY2025.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

Provision 9.1

Risk Management and Internal Controls System

The Board recognises the importance of maintaining sound systems of risk management and internal controls to safeguard shareholders' interests and the Group's assets. The ARMC oversees and ensures that the Company's risk management and internal controls system have been appropriately implemented and monitored.

A summary of the Company's risk management and internal controls system is appended below.

Risk Management

The Group adopts a comprehensive and systematic approach towards Enterprise Risk Management ("ERM") to help identify, measure, prioritise and respond to risks challenging its objectives, initiatives, and day-to-day operating activities.

As part of ERM, the Group has conducted on an annual basis a Risk Assessment exercise where a total of ten (10) key risks have been identified and evaluated. In addition, the Group evaluates its risk exposure by adopting a Four-by-Four Matrix Model where risks are assigned risk exposure ratings based on the likelihood and consequences of each risk identified.

The Group recognises risk management as a collective effort beginning with the individual subsidiaries and business units, followed by the operating segments and ultimately the Management and the Board, working as a team.

Internal Controls

An internal control system has been implemented to enhance the Group's internal control function in areas such as finance, operations, compliance and information technology. The internal control measures aim to ensure that the Group's assets are safeguarded, proper accounting records are maintained, and that financial information used within the business and for publication is reliable.

Provision 9.2

Adequacy and Effectiveness of Risk Management and Internal Control Systems

ERM has become an essential part of the Group's business planning and monitoring process and has been incorporated into its business cycle. The Group engages a professional services firm PricewaterhouseCoopers Risk Services Pte. Ltd. ("PwC") to conduct internal audit reviews based on the plan approved by the ARMC.

During the year under review, the ARMC reviewed reports submitted by the internal auditors relating to the effectiveness of the Group's internal controls, including the adequacy of the Group's financial, operational, compliance and information technology controls. These reports covered the year 2025.

Board's Comment on Adequacy and Effectiveness of risk management and Internal Controls

The Board is satisfied that the Company worked closely with the internal and external auditors to implement the recommended measures and procedures and strive to achieve high standards in risk management and internal controls.

CORPORATE GOVERNANCE REPORT

Based on the framework of risk management and internal controls established and maintained in the Group, the work performed by the internal auditors, statutory audit review undertaken by the external auditors, the Board with the concurrence of the ARMC, is of the opinion that the risk management and internal control systems that the Group has put in place to address the financial, operational, compliance and information technology risks are adequate and effective as at 31 December 2025 to meet the needs of the Group's current business environment. The Board, has received written assurance from the Executive Chairman and the Financial Controller that:

- (a) the financial records have been properly maintained and the financial statements for FY2025 give a true and fair view of the Group's operations and finances; and
- (b) the Group's risk management and internal control systems are adequate and effective.

The Board notes that the system of internal controls provides reasonable but not absolute assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities.

Risk Committee

The responsibility of overseeing the Company's risk management framework and policies is undertaken by the ARMC with the assistance of the internal auditors. Having considered the Company's business operations as well as its existing internal control and risk management systems, the Board is of the view that a separate Risk Committee is not required.

PRINCIPLE 10: AUDIT AND RISK MANAGEMENT COMMITTEE

Provision 10.1

Roles, Responsibilities and Authorities of ARMC

The ARMC is guided by its Terms of Reference which stipulate that its principal functions include, inter alia, reviewing the annual audit plans (internal and external), the system of internal controls and management of financial risks, the effectiveness and adequacy of the internal audit function which is outsourced to a professional services firm, regulatory compliance matters, the risk management framework, recommendation on the appointment/re-appointment/removal of external auditors and their remuneration.

The key functions of the ARMC are:

- (a) Review the adequacy and effectiveness of financial, operational, compliance controls and risk management;
- (b) To consider the appointment and re-appointment of the external auditors, audit fees and matters relating to the removal of the auditors;
- (c) To review the audit plans and reports of the internal and external auditors and consider the effectiveness of the actions taken by Management on the auditors' recommendations, review and evaluate the Group's internal accounting controls system;
- (d) To review the assurance from the Executive Chairman and the Financial Controller on the financial records and financial statements;

CORPORATE GOVERNANCE REPORT

- (e) To review the half year and annual financial statements for recommendation to the Board for approval, focusing in particular, on:
 - (i) Significant financial reporting issues and judgments;
 - (ii) Changes in accounting policies and practices;
 - (iii) Major risk areas;
 - (iv) Significant adjustments resulting from the audit;
 - (v) Going Concern statement;
 - (vi) Compliance with accounting standards; and
 - (vii) Compliance with statutory and regulatory requirements
- (f) To review any suspected fraud or irregularity, or suspected infringement of any law, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position;
- (g) To review Interested Persons Transactions and Related Party Transactions;
- (h) To review the scope and results of the internal audit procedures; and
- (i) To review the assistance given by the Management to the auditors.

The ARMC has explicit authority to investigate any matter within its Terms of Reference. It has full access to, and has had the full co-operation of the Management and staff. It also has full discretion to invite any Director or any member of the Management to attend its meetings.

On a half-yearly basis, the ARMC reviewed the interested person transactions, if any, and financial results announcements of the Company before their submission to the Board for approval.

The ARMC has explicit authority to investigate any matter including whistle-blowing reports within its Terms of Reference. All whistle-blower complaints were reviewed by the ARMC to ensure independent and thorough investigation and adequate follow-up action as well as arrangements for staff or third party to raise concerns and improprieties in confidence. The internal auditor shall maintain a whistle-blowing register to record all the whistle-blowing incidents. The contents were reviewed by the ARMC at its quarterly meetings and closed appropriately.

Minutes of the ARMC meetings are routinely tabled at Board meetings for information.

The ARMC had reviewed the external auditor's audit plan for FY2025 and agreed with the auditor's proposed significant areas of focus and assumptions that impact the financial statements. In ARMC's review of the financial statements of the Group for FY2025, it had discussed with the Management the accounting principles that were applied and their judgment of items that could affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The ARMC also reviewed and addressed, amongst other matters, the following key audit matters as reported by the external auditors for FY2025.

CORPORATE GOVERNANCE REPORT

Key Audit Matters	How the ARMC reviewed these matters and what decisions were made
Revenue recognition	The ARMC reviewed the policy and basis for revenue recognition with Management and concurred with their determination of the revenue. The ARMC discussed with the auditors on their audit procedures performed including the Group's basis for identification of performance obligations and whether they were satisfied over time or at a point in time, review of contract revenues recognised and project costs incurred, as well as Management's estimate of the costs to complete. The ARMC was satisfied with the appropriateness of the revenue recognised in the consolidated financial statements of the Group for the financial year ended 31 December 2025.
Recoverability of trade receivables and contract assets	The ARMC assessed the recoverability of specific long overdue trade receivables and potential impairment of contract assets. The ARMC noted that the audit procedures performed by the auditors included evaluating Management's assumptions and inputs used in the computation of historical credit loss rates and reviewing the data and information that management had used to make forward-looking adjustments as well as requesting for confirmations and obtaining evidence of receipts subsequent to the year end from selected customers. It concurred with Management on the adequacy of the provision for trade receivables and impairment of contract assets for the financial year ended 31 December 2025.

The Management reported to and discussed with the ARMC on changes to the accounting standards and accounting issues which have a direct impact on the financial statements. Directors had also been invited to attend relevant seminars on changes to accounting standards and issues by leading accounting firms.

ARMC to Keep Abreast of Changes to Accounting Standards

In addition to the activities undertaken to fulfil its responsibilities, the ARMC is kept up to date by the Management, external and internal auditors on changes to accounting standards, SGX-ST Listing Rules and other codes and regulations which can have an impact on the Group's business and financial statements.

Independence of External Auditors

The ARMC oversees the Group's relationship with its external auditors. It reviews the selection of the external auditors and recommends to the Board the appointment, re-appointment and removal of the external auditors, the remuneration and terms of engagement of the external auditors. The annual re-appointment of the external auditors is subject to shareholders' approval at each AGM of the Company.

The ARMC has reviewed the independence and objectivity of the external auditors through discussions with the external auditors and an annual review of the nature, extent and charges of non-audit services provided by the external auditors and the ARMC was of the view that the non-audit services (namely for tax compliance services) provided by the external auditors in FY2025 did not prejudice their objectivity and independence.

In respect of the audit quality indicators, the ARMC had reviewed, in particular, the following areas: audit hours planned, experience of the team, adequacy of training received by the team, results of internal and third party's inspection of their work, compliance with independence requirement, quality control, staff oversight, and staff attrition rate.

CORPORATE GOVERNANCE REPORT

A breakdown of the fees paid to the Group's external auditor (including its member firms) is disclosed in the table below:

External Auditor Fees for FY2025	S\$'000	% of Total Fees
Total Audit Fees	500	84
Total Non-Audit Fees	93	16
Total Fees	593	100

The ARMC had recommended and the Board had accepted proposing to the shareholders, the re-appointment of Ernst & Young LLP as the independent auditors for the Group in the ensuing year. The Company has complied with Rules 712, 715 and 716 of the listing manual of the SGX-ST ("Listing Manual") in relation to the Company's appointment of its auditors.

Whistle-blowing Policy

To encourage proper work ethics and eradicate any internal improprieties, unethical acts, malpractices, fraudulent acts, corruption and/or criminal activities in the Group, the Company has implemented a Whistle-blowing Policy. This policy provides a mechanism by which concerns about plausible improprieties in matters of financial reporting, dishonest practice, suspected fraud, bribery and corruption, may be raised. A Whistle-blowing Committee ("WBC") had been established for this purpose.

The Company's Whistle-blowing Policy allows not just employees but also external parties to raise concerns and offer reassurance that they will be protected from reprisals or victimisation for whistle-blowing in good faith.

Assisted by the WBC, the ARMC addresses issues/concerns raised and arranges for investigation and/or follow-up of appropriate action. The ARMC reports to the Board any issues/concerns received by it and the WBC, at the ensuing Board meeting. Should the ARMC or WBC receive reports relating to serious offences, and/or criminal activities in the Group, they and the Board have access to the appropriate external advice where necessary. Where appropriate or required, a report shall be made to the relevant governmental authorities for further investigation/action.

Whistle-blowing Committee ("WBC")

The WBC consists of:

- ARMC; and
- Internal auditors of the Group, PricewaterhouseCoopers Risk Services Pte. Ltd.

The WBC is empowered to:

- look into all issues/concerns relating to the Group (except for those directed specifically to or affecting any member of the WBC which are dealt with by the ARMC);
- make the necessary reports and recommendations to the ARMC or the Board for their review and further action, if deemed required by them; and
- access the appropriate external advice where necessary and, where appropriate or required, report to the relevant governmental authorities for further investigation/action.

CORPORATE GOVERNANCE REPORT

The Group takes concerns on the integrity and honesty of its employees very seriously. The Whistle-blowing Policy as well as whistle-blowing communication channel, has been disseminated to all staff via email and also posted on the Company's corporate website. A copy of the Whistle-blowing Policy is also made available at the Company's internal shared drive for staff reference. This is to encourage staff to report any behaviour or action that anyone reasonably believes might be suspicious, against any rules/regulations/accounting standards as well as internal policies. Whistle-blowers can also email members of the ARMC directly at auditcommittee@nera.net in confidence and his/her identity is protected from reprisals within the limits of the law.

The Company treats all information received confidentially and protects the identity and the interest of all whistle-blowers. Anonymous reporting will also be attended to and anonymity honoured.

All newly recruited employees are briefed on the existence of the Whistle-blowing Policy during their induction programme.

It has also been a standard item in the agenda of the quarterly meeting of the ARMC to review any entries in the register of whistle-blowing, and progress of investigation, if it remains outstanding.

The Whistle-blowing Policy is reviewed by the ARMC once every two (2) years to assess the effectiveness of the processes in place and to ensure that the said Policy is updated with any related changes in legal and regulatory requirements. The last review was performed in January 2025.

There were no whistle-blowing reports received during FY2025.

Provision 10.2

ARMC Membership

The ARMC comprises the following Directors, all of whom are Non-Executive and the majority, including the Chairman, are independent:

Mr Basil Chan (Chairman)	(Lead Independent Non-Executive Director)
Mr Raymond Lum Wai Meng	(Independent Non-Executive Director)
Ms Jenny Teng Mui Keow	(Independent Non-Executive Director)
Mr Andy Wang, Yung-Hsiang	(Non-Independent Non-Executive Director)

During the year under review, the ARMC held five (5) meetings, which all members at the material times attended.

Provision 10.3

Expertise of ARMC Members

The ARMC members bring with them invaluable professional expertise in the accounting and financial management domains.

The Chairman of the ARMC, Mr Basil Chan, is a Chartered Accountant and is a fellow member of the Institute of Chartered Accountants in England and Wales ("ICAEW"), a fellow member of the Institute of Singapore Chartered Accountants ("ISCA") and a Fellow of the Singapore Institute of Directors ("FSID"). The other members of the ARMC have many years of experience in business management and finance services. The Board is satisfied that Mr Basil Chan and Mr Raymond Lum Wai Meng, both Chartered Accountants, being members of the ARMC, and Mr Andy Wang, Yung-Hsiang, have recent and relevant accounting or related financial management expertise and experience to discharge the ARMC functions.

CORPORATE GOVERNANCE REPORT

Cooling-off Period for Partners or Directors of the Company's Auditing Firm

None of the ARMC members (i) is a former partner or director of the Company's existing auditing firm or auditing corporation in the previous two (2) years and (ii) holds any financial interest in the auditing firm or auditing corporation.

Provision 10.4

Internal Auditors

The ARMC's responsibilities over the Group's internal controls and risk management are complemented by the work of the internal auditors ("IA").

The Company has engaged PricewaterhouseCoopers Risk Services Pte. Ltd. ("PwC") to conduct internal audit reviews based on the plan approved by the ARMC. The ARMC assesses the adequacy of the IA function through the review of PwC's internal audit plan and the quality of its report. The IA has unrestricted access to all the Company's documents, records, properties and personnel, including access to the ARMC. The IA's primary line of reporting is to the Chairman of the ARMC.

Internal Audit Function

The Company's internal audit function is independent of the activities it audits. The IA, PwC, is staffed with professionals with relevant qualifications and experience. Our engagement with PwC stipulates that its work shall comply with the PwC's Internal Audit Services Methodology which is aligned with the International Standards for the Professional Practice of Internal Auditing (IIA Standards) issued by the Institute of Internal Auditors.

The internal audit was conducted based on a two-year internal audit plan that was approved by the ARMC. The two-year internal audit plan entails a review of the major functions or business units of the Group.

Having reviewed the audit plan of PwC, the ARMC is satisfied that the Company's internal audit function is independent, effective and adequately resourced to perform the work for the Group.

Adequacy and Effectiveness of Internal Audit Function

The ARMC reviews the adequacy of the internal audit function to ensure that internal audits are conducted effectively and that Management provides the necessary co-operation to enable the IA to perform its function. The ARMC also reviews the IA's reports and remedial actions implemented by Management. The ARMC was satisfied that the internal audit function was adequate and effective.

Provision 10.5

Meeting with External and Internal Auditors

During the year, the Company's internal and external auditors were invited to attend the ARMC meetings and make presentations as appropriate. They also met separately with the ARMC without the presence of Management.

CORPORATE GOVERNANCE REPORT

SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETING

Provision 11.1

Sufficient Information to Shareholders

The Company believes in providing sufficient and regular information to its shareholders. In this respect, the Board adopts a comprehensive policy to provide clear, timely and fair disclosure of information about the Company's business developments and financial performance that may have a material impact on the price or value of its shares.

Providing Opportunity for Shareholders to Participate and Vote at General Meetings

Shareholders are informed of General Meetings through notices published in the newspaper and the Company's announcements via SGXNET and the reports/circulars sent to all shareholders. All resolutions tabled at General Meetings are put to vote by poll voting.

Shareholders are also informed of the rules and voting procedures governing such meetings.

Effective Shareholders' Participation

To facilitate shareholders' effective participation at General Meetings, the Company holds its General Meetings at a location which is considered convenient and accessible to shareholders. All shareholders of the Group receive annual reports, circulars and notices of all shareholders' meetings. The notices are made available on SGXNET and the Company's corporate website.

The Group fully supports the Code's principle to encourage shareholders' participation in and vote at all the General Meetings. The Company's Constitution allows the appointment of not more than two (2) proxies by shareholders to attend the AGM and vote on their behalf. Shareholders who hold shares through nominees are allowed, upon prior request through their nominees, to attend the General Meetings as proxies without being constrained by the two-proxy requirement.

Shareholders participated in the last AGM in respect of FY2024 physically at Temasek Club, 131 Rifle Range Road, Singapore 588406, and their questions in relation to any resolution set out in the notice of AGM were sent to the Company in advance of the AGM.

The Company's forthcoming AGM in respect of FY2025 will be held physically at 19 Tai Seng Avenue, #06-01, Singapore 534054.

Provision 11.2

Separate Resolutions at General Meetings

At the shareholders' meeting, the Board ensures that separate resolutions are proposed for approval on each distinct issue at General Meetings. Shareholders can vote either in person or through proxies. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

CORPORATE GOVERNANCE REPORT

Proxies for Nominee Companies

The Constitution of the Company allows all shareholders (who are not relevant intermediaries as set out in the Companies Act) to appoint up to two (2) proxies to attend General Meetings and vote on their behalf. The Companies Act allows relevant intermediaries such as the Central Provident Fund (CPF) agent bank nominees to appoint multiple proxies, and empower CPF investors to attend and vote at the General Meeting of the Company as their CPF agent banks' proxies.

Provision 11.3

Attendees at General Meetings

The Chairman of the Board and its committees attend all General Meetings to address issues raised by shareholders. The Company's external auditors are also present to address any relevant queries from shareholders on the conduct of the audit and the preparation and contents of the auditors' report. Appropriate key management executives are also present at the General Meeting to respond, if necessary, to operational questions from shareholders.

The Directors' attendance at the General Meeting can be found on page 48 of this Annual Report.

Provision 11.4

The Company, however, has not implemented measures to allow shareholders who are unable to vote in person at the Company's AGM the option to vote in absentia, such as via mail, electronic mail or facsimile transactions as the authentication of shareholder indemnity information and other related security issues remain a concern.

Provision 11.5

Minutes of General Meetings

The minutes of the General Meeting which incorporate substantial comments or queries from shareholders relating to the agenda of the meeting, response from the Board and Management, are available to shareholders at the registered office of the Company at 19 Tai Seng Avenue, #06-01, Singapore 534054 during normal business hours upon written request. The minutes of General Meeting will be published on the SGXNET and the Company's corporate website at <https://www.nera.net/investors/agm-and-egm-minutes> within one (1) month after each General Meeting.

Provision 11.6

Dividend Policy

As at the date of this Report, the Company does not have a formal dividend policy in place. The form, frequency and amount of dividends declared each year will take into consideration the Group's profit growth, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate. Any payouts are clearly communicated to shareholders in public announcements and via announcements on SGXNET when the Company discloses its financial results.

No dividend was declared or recommended for FY2025 as the Management plans to conserve cash for the Group's working capital.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

Provisions 12.1, 12.2 and 12.3

Communication with Shareholders

In line with the continuous disclosure obligations under the listing rules of the SGX-ST and the Singapore Companies Act 1967, the Board informs shareholders promptly of all major developments that may have material impact on the Group.

The Board embraces openness and transparency in the conduct of the Company's affairs, whilst safeguarding its commercial interests. Material information on the Group is being released to the public through the Company's announcements via the SGXNET.

Timely Information to Shareholders

The Company communicates with its shareholders and the investment community through the timely release of announcements to the SGX-ST via SGXNET including the financial statements announcements of the Company and the Group, which are published through the SGXNET on a half-yearly basis. In between half-yearly financial results, the Company provides business updates to its shareholders to keep them abreast of the Company's development and environment.

In addition, in line with the Company's corporate social responsibility initiatives and sustainability strategy, the Company has implemented the use of electronic communications since year 2021 and shareholders can download its Annual Report from the Company's website. Nevertheless, shareholders who wish to receive a printed copy of the Annual Report could complete and forward the Annual Report Request Form (which could be downloaded from the SGXNET) to the Company within the stipulated timeframe.

Price sensitive information is first publicly released, either before the Company meets with any group of investors or analysts or simultaneously with such meetings.

Soliciting and Understanding Views of Shareholders

To promote a better understanding of shareholders' views, the Board actively encourages shareholders to participate during the Company's General Meeting. These meetings provide excellent opportunities for the Company to obtain shareholders' views on value creation.

All resolutions at AGMs are put to vote by poll to allow greater transparency and more equitable participation by shareholders. An independent scrutineer, Complete Corporate Services Pte Ltd, has been appointed by the Company to ensure the satisfactory procedure of the electronic polling process and to direct and supervise the counting of votes during the last Annual General Meeting held in 2025.

Regular Dialogue with Shareholders and Investor Relations Policy

General Meetings have been and are still the principal forum for dialogue with shareholders. The Company also communicates with its shareholders, both institutional and retail, on a regular basis. Annual Reports and Notices of the General Meeting are forwarded to all shareholders of the Company.

All Directors, including the Chairman of the ARMC, NC and RC are encouraged to be present at the General Meeting. At the General Meeting, shareholders are given the opportunity to engage the Board and Management on the Group's business activities, financial performance and other business-related matters. To further enhance its communication with investors, the Company maintains a corporate website which includes a dedicated Investor Relations section (<http://www.nera.net/>).

CORPORATE GOVERNANCE REPORT

The Chairman, the then Chief Financial Officer and all of the Directors were present at the 2025 AGM proceedings, held at Temasek Club, Brani Room, 131 Rifle Range Road, Singapore 588406. The Minutes of the AGM was published on both SGXNET and the Company's website after the AGM.

The Company's website also contains the latest and past annual reports, half-yearly results and announcements. The Company's Investor Relations contact is also reflected on the website at <https://www.nera.net/investors/ir-contact>, to enable shareholders to contact the Company, if required.

MANAGING STAKEHOLDERS RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

Provisions 13.1 and 13.2

Relationship with stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to secure the long-term future of the Company. The Company's efforts on sustainability are focused on creating sustainable value for our key stakeholders, which include communities, customers, staff, regulators, shareholders and vendors. During FY2025, the Company's strategy and key areas of focus in relation to the management of stakeholder relationships can be found under the Sustainability Report on pages 12 to 44 of this Annual Report.

Provision 13.3

Communications with stakeholders

The Company has engaged Citigate Dewe Rogerson Singapore Pte Ltd as its Investor Relations consultant. Their contact details are on the website at <https://www.nera.net/investors/ir-contact>, so stakeholders can contact the Company, if required.

OTHER CORPORATE GOVERNANCE MATTERS

The Company has in place internal codes of conduct and practices for its Board members and employees on securities transactions while in possession of price-sensitive information and their conduct of business activities.

Dealings in Securities – Rule 1207(19) of the Listing Manual

The Company has adopted a policy on securities dealing by Directors and officers of the Company and its subsidiaries (comprising Directors and Key Personnel) in the form of a Code of Best Practices on Security Dealings (the "Internal Code") to govern and regulate transactions relating to securities in the Company. The Internal Code is based on the best practices on dealings in securities issued by SGX-ST and has been circulated to all relevant parties.

The Company issues circulars informing all relevant parties that they, while in possession of price-sensitive information, must not trade in the listed securities of the Company one month before the announcement of the Company's half year and full year results and ending on the date of the announcement of such results. All relevant parties are also informed not to deal in the Company's securities on short-term considerations.

CORPORATE GOVERNANCE REPORT

The Directors are required to notify the Company of any dealings in the Company's securities (during the open window period) within two (2) business days of the transactions. The Board is satisfied with the Group's commitment in compliance with the Internal Code.

The Directors and Senior Management are aware, and a new Director or Senior Management staff will be briefed, that the Company should comply with the best practice pursuant to Rule 1207(19)(c) of the Listing Manual in not dealing in its securities during the restricted trading periods. The Company has complied with Rule 1207(19)(c) of the Listing Manual.

Material Contracts

Pursuant to Rule 1207(8) of the Listing Manual, no material contract had been entered into by the Company or its subsidiaries involving the interests of the then-CEO, each Director or Controlling Shareholder.

Interested Persons Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported to the ARMC and the transactions are carried out at arm's length and under normal commercial terms. The ARMC with the concurrence of the Board has confirmed that no other interested person transactions have been entered into during FY2025, save for those disclosed below pursuant to the disclosure under Rule 920 of the SGX-ST Listing Manual:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)	
		6 months ended 31 Dec 2025 \$'000	12 months ended 31 Dec 2025 \$'000	6 months ended 31 Dec 2025 \$'000	12 months ended 31 Dec 2025 \$'000
Transactions for the Sale of Goods and Services					
Management services income Ennoconn Solutions Singapore Pte. Ltd.	Controlling shareholder of the Company	-	-	211	451

Following the acquisition of approximately 53.38% of the issued shares of the Company from Asia Systems Ltd. and the resulting mandatory unconditional cash offer, Ennoconn Corporation ("Ennoconn") holds approximately 63.77% of the issued shares of the Company through its wholly owned subsidiary, Ennoconn Solutions.

It is anticipated that, with the Company having become a subsidiary of Ennoconn and as part of the business integration of Ennoconn with the Company, the Group will, in the ordinary course of business, be entering into certain transactions with Ennoconn and its subsidiaries (but excluding the Group) (the "Ennoconn Group") as well as Hon Hai Precision Industry Co., Ltd. ("Hon Hai") and its subsidiaries. Hon Hai is deemed to have an interest in 63.77% of the issued shares of the Company in which Ennoconn has an interest.

CORPORATE GOVERNANCE REPORT

At the upcoming annual general meeting, the Company will be seeking to obtain shareholders' approval for the renewal of the general mandate for the Company, its subsidiaries and its associated companies that are not listed on the SGX-ST or an approved exchange over which the Group and/or its interested persons have control, to enter into transactions with Ennoconn and Hon Hai and their respective associates ("IPT General Mandate"). The IPT General Mandate was first approved by shareholders at the extraordinary general meeting held on 29 April 2025. A circular dated 13 April 2026 setting out (among other things) the relevant interested persons and the categories of the interested person transactions that are covered by the IPT General Mandate has been despatched to shareholders together with the notice of AGM.

The entry into the mandated interested person transactions ("Mandated Transactions") is subject to compliance with the review procedures under the IPT General Mandate. The purpose of the review procedures is to ensure that any Mandated Transaction will be entered into on arm's length and normal commercial terms, and will not be prejudicial to the interests of the Company and minority shareholders.

The IPT General Mandate is subject to annual renewal by the shareholders. Given that such Mandated Transactions are expected to occur with some degree of frequency and may arise at any time, and to allow the Group to undertake such transactions in an expeditious manner, shareholders' approval will be sought at subsequent AGMs for the renewal of the IPT General Mandate.

All other interested person transactions that do not fall within the IPT General Mandate will be subject to review by the Audit and Risk Management Committee to ensure that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and minority shareholders.

CODE OF CONDUCT AND PRACTICES

The Group recognises the importance of integrity and professionalism on the conduct of its business activities. Employees are expected to embrace, practice and adopt these values while performing their duties and always act in the best interests of the Group and avoid situations that may create conflicts of interest.

DIRECTORS' STATEMENT

The Directors are pleased to present their statement to the members together with the audited consolidated financial statements of Nera Telecommunications Ltd (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheets and statements of changes in equity of the Company for the financial year ended 31 December 2025.

1. Opinion of the Directors

In the opinion of the Directors,

- (a) the consolidated financial statements of the Group and the balance sheets and statements of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and
- (b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due. The Directors have reviewed the cash flow forecast prepared by management and are of the view that the Group will have sufficient net positive cash flow to satisfy its working capital requirements and to meet its obligation as and when they fall due.

2. Directors

The Directors of the Company in office at the date of this statement are:

Chu, Fu-Chuan	(Executive Chairman and Executive Director, re-designated with effective from 8 April 2025)
Basil Chan	(Lead Independent Non-Executive Director)
Yu, Ling-Hsiao	(Senior Vice President, Business Development and Executive Director, re-designated with effect from 1 July 2025)
Jenny Teng Mui Keow	(Independent Non-Executive Director)
Lum Wai Meng	(Independent Non-Executive Director)
Wang, Yung-Hsiang	(Non-Independent Non-Executive Director, appointed on 1 July 2025)

3. Arrangements to enable Directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

4. Directors' interests in shares and debentures

The following Director, who held office at the end of the financial year, had, according to the register of Directors' shareholdings required to be kept under section 164 of the Singapore Companies Act 1967, an interest in shares and share options of the Company and related corporations as stated below:

Name of Director	Direct interest			Deemed interest		
	At the beginning of financial year	At the end of financial year	At 21 January 2026	At the beginning of financial year	At the end of financial year	At 21 January 2026
<i>Nera Telecommunications Ltd</i>						
<i>Ordinary shares</i>						
Chu, Fu-Chuan	-	-	75,600	-	-	-
Yu, Ling-Hsiao	-	22,000	22,000	-	-	-
Jenny Teng Mui Keow	-	40,000	40,000	-	-	-
<i>Nera (Philippines), Inc.</i>						
<i>Ordinary shares of Peso 100 each</i>						
Yu, Ling-Hsiao	-	1*	1*	-	-	-

* Shares are held in trust for the Company.

Except as disclosed in this report, no Director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year or on 21 January 2026.

5. Share plan

The Company does not have any share option scheme currently in effect.

6. Audit and Risk Management Committee

The Audit and Risk Management Committee ("ARMC") carried out its functions in accordance with section 201B (5) of the Singapore Companies Act 1967, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors
- Reviewed the half year financial information and annual financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the Board of Directors
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews carried out by the internal auditor
- Met with the external and internal auditors, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARMC

DIRECTORS' STATEMENT

6. Audit and Risk Management Committee (cont'd)

- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators

Further details regarding the ARMC are disclosed in the Corporate Governance Report.

7. Auditors

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,

Basil Chan
Director

Chu, Fu-Chuan
Director

Singapore
10 April 2026

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Nera Telecommunications Ltd (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2025, the statements of changes in equity of the Group and the Company and the consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including material accounting policies information.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheets and the statements of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) SFRS(I) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Key audit matters (cont'd)

Revenue recognition

The Group has several product or service lines, and it recognises the turnkey project revenue from contracts by reference to the stage of completion of the respective contract activity (i.e., performance obligations) of its projects at the end of each reporting period. The stage of completion is measured by reference to the cost incurred to date relative to the total estimated cost to satisfy the performance obligation. These assessments required management to apply significant judgment and make assumptions and estimates in measuring costs incurred, total budgeted contract cost and remaining cost to completion. The subjectivity and complexity involved in these assessments can significantly impact the results of the Group. Accordingly, we have determined this to be a key audit matter.

Our audit procedures included, amongst others:

- Evaluated the design of internal controls with respect to project management, project cost estimation and budgeting process, and accounting for revenue from contracts.
- Evaluated the Group's procedures and processes for recognising revenue from contracts with customers. Our assessment includes examining project documents and reviewing, on a sample basis, contractual terms and conditions and discussed with management on the performance obligations identified.
- Assessed contract revenues recognised and project costs incurred, on a sample basis, by comparing against the relevant contracts and supporting documents such as sales invoices, customer acceptance and supplier invoices.
- Evaluated the key inputs used by management in their estimation of the total cost to complete, on a sample basis, by comparing to supporting documentation such as supplier quotations.
- Assessed the arithmetic accuracy of the revenue and profit recognised based on the stage of completion calculations made for individually significant projects.
- Discussed with management, finance or project heads the progress of significant outstanding projects to understand if there are any known disputes, variation order claims, technical issues or other significant developments and events that could impact the estimated costs to complete the projects.
- Assessed whether the estimates showed any evidence of management bias based on our assessment of the historical accuracy of management's estimates in previous periods, identification and analysis of changes in assumptions from prior periods, and assessed the consistency of assumptions across projects.
- Evaluated the presentation and assessed the adequacy of the disclosure of material accounting policies for revenue from contracts with customers, judgment and methods used in estimating revenue, contract assets, contract liabilities, capitalised contract costs, and transaction price allocated to remaining performance obligation.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Key audit matters (cont'd)

Recoverability of trade receivables and contract assets

Trade receivables and contract asset balances were significant to the Group and the Company as they represent 55% and 39% of the total assets of the balance sheets of the Group and the Company respectively. The Group's trade receivables and contract assets amounted to \$36,892,000 and \$18,840,000 respectively as at 31 December 2025, against which an allowance for expected credit loss ("ECL") and impairment of \$2,557,000 and \$3,674,000 had been made respectively. As at 31 December 2025, 24% of the Group's trade receivables are aged more than 90 days. The Company's trade receivables and contract assets amounted to \$14,170,000 and \$7,915,000 respectively as at 31 December 2025, against which an allowance for ECL and impairment of \$106,000 and \$2,073,000 had been made respectively. As at 31 December 2025, 14% of the Company's trade receivables are aged more than 90 days.

The collectability of trade receivables is a key element of the Group's working capital management. Managed on an ongoing basis by local management under the oversight of Group management, the terms of the Group's contracts with customers are complex and could lead to disputes with customers, resulting in long overdue trade receivables.

The Group determines ECL and impairment of trade receivables and contract assets by making debtor-specific assessment of expected impairment loss for long overdue trade receivables and using a provision matrix for remaining trade receivables that is based on its historical credit loss experience, adjusted for current and forward-looking information specific to the debtors and economic environment. Management has considered various factors such as past due balances, recent historical payment patterns and credit loss patterns over a period, debtors' financial ability to repay, existence of disputes, economic environment and forecast of future macro-economic conditions where the debtors operate, and any other available information concerning the creditworthiness of debtors. These assessments required management to apply significant judgment and accordingly, we determined that this is a key audit matter.

Our audit procedures included, amongst others:

- Assessed the Group's processes and controls relating to the monitoring of aged trade receivables and contract assets to identify collection risks.
- Evaluated management's assumptions and inputs used in the computation of historical credit loss rates and reviewed the data and information that management has used to make forward-looking adjustments.
- Requested for confirmations and checked for evidence of receipts subsequent to the year end from selected customers.
- We assessed management's assumptions used to determine expected impairment loss for long overdue trade receivables, through analyses of ageing of receivables to identify collection risk, reviewing historical payment patterns and correspondences with customers on expected settlement dates, taking into consideration of their specific profiles and risks.
- Checked the arithmetic accuracy of management's computation of ECL and impairment.
- Assessed the adequacy of the disclosures on the trade receivables, contract assets, expected credit losses and the related risks such as credit risk and liquidity risk in Note 9 Trade receivables and Note 33 Financial risk management objectives and policies.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Other information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Auditor's responsibilities for the audit of the financial statements (cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by that subsidiary corporation incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tee Huey Yenn.

Ernst & Young LLP
Public Accountants and
Chartered Accountants

Singapore
10 April 2026

BALANCE SHEETS

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current assets					
Property, plant and equipment	4	2,112	2,686	935	1,332
Right-of-use assets	16	3,853	4,022	2,164	3,147
Intangible assets	5	405	430	403	419
Investments in subsidiaries	6	–	–	1,629	7,754
Long term other receivables	10	258	243	–	–
Deferred tax assets	24	2,438	5,148	2,160	2,442
		<u>9,066</u>	<u>12,529</u>	<u>7,291</u>	<u>15,094</u>
Current assets					
Stocks	7	5,246	4,859	4,536	4,438
Contract assets	8	18,840	17,869	7,915	7,755
Trade receivables	9	36,892	37,978	14,170	13,586
Other receivables, deposits and prepayments	10	21,314	22,918	18,916	19,283
Amounts due from subsidiaries					
– trade	11	–	–	279	635
– non-trade	11	–	–	2,199	6,130
Fixed deposits	27	–	3,708	–	3,708
Cash and bank balances	27	10,182	10,591	1,970	2,649
		<u>92,474</u>	<u>97,923</u>	<u>49,985</u>	<u>58,184</u>
Current liabilities					
Trade payables	12	24,942	20,733	6,226	6,294
Other payables and accruals	13	2,701	6,247	581	2,900
Contract liabilities	8	26,131	25,677	22,543	20,033
Amounts due to subsidiaries					
– trade	11	–	–	49	53
– non-trade	11	–	–	1,454	27
Short-term borrowings	15	3,000	9,108	3,000	7,822
Lease liabilities	16	2,033	1,679	1,275	1,258
Provision for taxation		–	279	–	–
Provision for warranty	14	490	490	416	407
		<u>59,297</u>	<u>64,213</u>	<u>35,544</u>	<u>38,794</u>
Net current assets		<u>33,177</u>	<u>33,710</u>	<u>14,441</u>	<u>19,390</u>
Non-current liabilities					
Lease liabilities	16	3,081	3,724	1,992	3,202
Defined benefit obligation	36	434	605	–	–
		<u>3,515</u>	<u>4,329</u>	<u>1,992</u>	<u>3,202</u>
Net assets		<u>38,728</u>	<u>41,910</u>	<u>19,740</u>	<u>31,282</u>
Equity attributable to owners of the Company					
Share capital	17	29,909	29,909	29,909	29,909
Revenue reserve		9,782	12,774	(10,169)	1,373
Translation reserve	18	(1,734)	(1,468)	–	–
Other reserve		771	695	–	–
		<u>38,728</u>	<u>41,910</u>	<u>19,740</u>	<u>31,282</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 \$'000	2024 (Restated) \$'000
Revenue	8	100,193	98,245
Cost of sales		(82,364)	(77,425)
Gross profit		17,829	20,820
Distribution and selling expenses		(6,539)	(10,627)
Administrative expenses		(10,241)	(12,282)
Other expenses	19	(573)	(1,691)
Profit/(loss) from operating activities	20	476	(3,780)
Finance income	22	114	354
Finance expenses	23	(519)	(544)
Profit/(loss) before tax		71	(3,970)
Tax	24	(3,063)	1,165
Loss after tax		(2,992)	(2,805)
Other comprehensive loss:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation of financial statements of foreign operations		(266)	(5)
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit obligation		76	(48)
Other comprehensive loss for the year, net of tax		(190)	(53)
Total comprehensive loss for the year attributable to owners of the Company		(3,182)	(2,858)
Earnings per share attributable to owners of the Company (cents per share)			
Basic	25(a)	(0.83)	(0.78)
Diluted	25(a)	(0.83)	(0.78)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Attributable to owners of the Company				Total equity \$'000
	Share capital (Note 17) \$'000	Revenue reserve \$'000	Translation reserve (Note 18) \$'000	Other reserve \$'000	
Group					
At 1 January 2025	29,909	12,774	(1,468)	695	41,910
Loss for the year	–	(2,992)	–	–	(2,992)
Other comprehensive (loss)/income for the year	–	–	(266)	76	(190)
Total comprehensive (loss)/income for the year	–	(2,992)	(266)	76	(3,182)
At 31 December 2025	<u>29,909</u>	<u>9,782</u>	<u>(1,734)</u>	<u>771</u>	<u>38,728</u>
At 1 January 2024	29,909	17,388	(1,463)	743	46,577
Loss for the year	–	(2,805)	–	–	(2,805)
Other comprehensive loss for the year	–	–	(5)	(48)	(53)
Total comprehensive loss for the year	–	(2,805)	(5)	(48)	(2,858)
<u>Contributions by and distributions to owners</u>					
Dividends (Note 26)	–	(1,809)	–	–	(1,809)
Total contributions by and distributions to owners	–	(1,809)	–	–	(1,809)
At 31 December 2024	<u>29,909</u>	<u>12,774</u>	<u>(1,468)</u>	<u>695</u>	<u>41,910</u>

	Attributable to owners of the Company		
	Share capital \$'000	Revenue reserve \$'000	Total equity \$'000
Company			
At 1 January 2025	29,909	1,373	31,282
Loss for the year	–	(11,542)	(11,542)
Total comprehensive loss for the year	–	(11,542)	(11,542)
At 31 December 2025	<u>29,909</u>	<u>(10,169)</u>	<u>19,740</u>
At 1 January 2024	29,909	4,688	34,597
Loss for the year	–	(1,506)	(1,506)
Total comprehensive loss for the year	–	(1,506)	(1,506)
<u>Contributions by and distributions to owners</u>			
Dividends (Note 26)	–	(1,809)	(1,809)
Total contributions by and distributions to owners	–	(1,809)	(1,809)
At 31 December 2024	<u>29,909</u>	<u>1,373</u>	<u>31,282</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group	
		2025 \$'000	2024 \$'000
Cash flows from operating activities			
Profit/(loss) before tax		71	(3,970)
Adjustments for:			
Amortisation of intangible asset	5	102	138
Bad debts written off	20	14	68
Depreciation of property, plant and equipment	4	541	619
Depreciation of right-of-use assets	16	1,559	1,598
Interest expense	23	519	544
Interest income	22	(114)	(354)
Foreign exchange loss, net – forward currency contracts	19	141	106
Impairment of property, plant and equipment	19	–	1,696
Net gain on disposal of property, plant and equipment	19	(23)	(6)
Net allowance for contract assets	8	813	(77)
Stocks write-down	7	–	6
Net allowance for doubtful trade debts	8	40	(94)
Net provision for warranty	14	172	406
Net gain on disposal of subsidiaries	19	(1,448)	–
Unrealised foreign exchange loss/(gain), net	19	1,118	(676)
Pension (income)/cost		(34)	175
Operating cash flows before changes in working capital		3,471	179
Decrease/(increase) in:			
Stocks		(280)	481
Contract assets		(1,746)	4,527
Trade receivables		(156)	5,734
Other receivables, deposits and prepayments		1,318	(1,509)
Increase/(decrease) in:			
Trade payables		5,547	(7,808)
Other payables and accruals		(3,669)	(1,049)
Contract liabilities		468	484
Provision for warranty		(168)	(407)
Cash generated from operations		4,785	632
Income tax paid		(630)	(396)
Interest paid		(180)	(235)
Benefits paid out from pension fund	36	(23)	(13)
Net cash flows generated from/(used in) operating activities		3,952	(12)
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		23	21
Purchase of property, plant and equipment	4	(46)	(278)
Purchase of intangible assets	5	(79)	–
Interest received		114	424
Net cash flows generated from investing activities		12	167
Cash flows from financing activities			
Dividends paid to shareholders of the Company		–	(1,809)
Decrease in deposits pledged		–	109
Proceeds from bank loans		6,000	5,000
(Decrease)/increase in trade line		(4,608)	611
Repayment of bank loans		(7,500)	(8,500)
Repayment of lease liabilities		(1,985)	(1,986)
Net cash flows used in financing activities		(8,093)	(6,575)
Net decrease in cash and cash equivalents		(4,129)	(6,420)
Effect of exchange rates changes on cash and bank balances		12	206
Cash and cash equivalents at beginning of the year		14,289	20,503
Cash and cash equivalents at end of the year	27	10,172	14,289

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. Corporate information

The Company is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST). Effective from 2nd October 2024, the ultimate holding company is Hon Hai Precision Industry Co., Ltd. ("Hon Hai"), a publicly listed company at the Taiwan Stock Exchange Corporation. Hon Hai wholly owns Bao Xin International Investment Co., Ltd. ("Bao Xin"), and Bao Xin partially owns Ennoconn Corporation, a publicly listed company at the Taiwan Stock Exchange Corporation. The immediate holding company is Ennoconn Solutions Singapore Pte. Ltd, a wholly owned subsidiary of Ennoconn Corporation.

The registered office and principal place of business of the Company is 19 Tai Seng Avenue #06-01, Singapore 534054.

The principal activities of the Company are to engage in the sale, distribution, design, engineering, servicing, installation and maintenance of telecommunication systems and products in transmission networks and satellite communications and information technology networks. The principal activities of the subsidiaries are shown in Note 6 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

2. Material accounting policies information

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)).

The consolidated financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The consolidated financial statements are presented in Singapore dollars (SGD or \$) and all values in the tables are rounded to the nearest thousand (\$'000), except when otherwise indicated.

The Group incurred a net loss of \$2,992,000 for the financial year ended 31 December 2025 (net loss of \$2,805,000 for the financial year ended 31 December 2024). Operating cash inflows was \$3,952,000 for the year ended 31 December 2025 (cash outflows for the year ended 31 December 2024: \$12,000). As of 31 December 2025, the Group had net assets of \$38,728,000 (2024: \$41,910,000) and net current assets of \$33,177,000 (2024: \$33,710,000).

The financial statements have been prepared on a going concern basis. Management has prepared a cash flow forecast and is of the view that the Group will have sufficient net positive cash flow to satisfy its working capital requirements and to meet its obligation as and when they fall due.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2025. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
Amendments to SFRS(I) 18: Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to SFRS(I) 1, SFRS(I) 7, SFRS(I) 9, SFRS(I) 10 and SFRS(I) 1-7: Annual Improvements to SFRS(I)s – Volume 11	1 January 2026
Amendments to SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 1-21: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity	1 January 2026

The Directors expect that the adoption of the above standards will have no material impact on the financial statements in the year of initial application.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.4 Basis of consolidation (cont'd)

- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

2.5 Foreign currency

The consolidated financial statements are presented in Singapore Dollars, which is also the Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in the profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign subsidiaries, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on divestiture of the subsidiary.

(b) Consolidated financial statements

On consolidation, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the balance sheet date and their profit or loss are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to other comprehensive income. On divestiture of a foreign subsidiary, the deferred cumulative amount recognised in other comprehensive income relating to that particular foreign operation is recognised in the profit or loss.

2.6 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Subsequent to recognition, leasehold building, leasehold improvements, plant and other equipment, furniture and fittings, motor vehicles and equipment held for leasing are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold improvements	–	10 years or over the lease term, whichever shorter
Plant and other equipment	–	3 to 7 years
Furniture and fittings	–	5 to 10 years
Motor vehicles	–	5 years

Assets under construction included in plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is de-recognised.

2.8 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.8 Intangible assets (cont'd)

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Brand

"NERA" brand name which was acquired, is capitalised and amortised on a straight-line basis over a useful life of 20 years. It is tested for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation period and method are reviewed at each financial year end.

Acquired computer software licences

Acquired computer software licences are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised on a straight-line basis over their useful lives of 3 to 5 years.

2.9 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.9 Impairment of non-financial assets (cont'd)

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.10 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investment in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The two measurement categories for classification of debt instruments are:

(i) *Amortised cost*

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are de-recognised or impaired, and through amortisation process.

(ii) *Fair value through profit or loss*

Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.10 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement (cont'd)

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of other financial liabilities, plus directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On de-recognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.11 Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value and include all costs in bringing the stocks to their present location and condition.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of stocks to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.14 Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold or service is provided. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

2.15 Employee benefits

(a) *Defined contribution plans*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore and Malaysian companies in the Group make contributions to the Central Provident Fund and Employees Provident Fund schemes respectively, which are defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Defined benefit plans*

The net defined benefit liability is the aggregate of the present value of the defined benefit obligation (derived using a discount rate based on high quality corporate bonds) at the end of the reporting period reduced by the fair value of plan assets (if any).

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.15 Employee benefits (cont'd)

(b) Defined benefit plans (cont'd)

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in profit or loss. Past service costs are recognised when plan amendment or curtailment occurs.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on high quality corporate bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognised as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognised immediately in other comprehensive income in the period in which they arise. Remeasurements are recognised in retained earnings within equity and are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognised as a separate asset at fair value when and only when reimbursement is virtually certain.

(c) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.16 Leases

(a) *As lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land and building	–	1 to 5 years
Plant and other equipment	–	1 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.11.

(ii) *Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are presented separately in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.16 Leases (cont'd)

(a) *As lessee (cont'd)*

(iii) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.17 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) *Sale and installation of network equipment*

The Group supplies and installs network equipment. The sale of equipment and rendering of installation service are either sold separately or in a bundled contract. For bundled contracts, the Group accounts for the sale of equipment and installation service separately. The transaction price is allocated to the sale of equipment and installation service based on their relative stand-alone selling prices. See Note 2.17(b) for the revenue recognition relating to the installation services. For sale of equipment, revenue is recognised upon delivery of equipment and criteria for acceptance being satisfied.

(b) *Rendering of services*

(i) *Professional services*

The Group is in the business of providing design and engineering, installation and service of satellite infrastructure network and info-communications network infrastructure. Revenue from providing services is recognised upon service performed and criteria for acceptance being satisfied.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.17 Revenue (cont'd)

(b) Rendering of services (cont'd)

(ii) Maintenance services

The Group provides maintenance services for network system and solutions. Maintenance revenue is recognised over time on a straight line basis over the specified contract period. Maintenance revenue received in advance is recognised as contract liabilities and recognised as income over the life of the maintenance contracts.

(c) Turnkey project

The Group is in the business of providing full suite of turnkey network and wireless solutions. The Group recognises revenue from contracts by reference to the stage of completion of the respective contract activity (i.e., performance obligations) of its projects at the end of each reporting period. The stage of completion is measured by reference to the cost incurred to date relative to the total estimated cost to satisfy the performance obligation.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified project milestones. A contract asset is recognised when the Group has performed under the contract but has yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognise the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.

For the revenue streams stated above, in determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money for contracts with customers that includes a significant financing component. In adjusting for the significant financing component, the Group uses a discount rate that would be reflected in a separate financing transaction between the Group and its customers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.18 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to income, it may be presented as a credit in profit or loss, either separately or under a general heading such as "Other Income". Alternatively, they are deducted in reporting the related expenses.

2.19 Income taxes

(a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.19 Income taxes (cont'd)

(b) *Deferred tax (cont'd)*

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

(c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- when receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies information (cont'd)

2.20 Derivative financial instruments

The Group uses derivative financial instruments such as forward currency contracts to hedge its risks associated with foreign currency fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivative financial instruments are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivative financial instruments that do not qualify for hedge accounting are taken to profit or loss for the year.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

2.21 Segment reporting

For management purposes, the Group is organised on a world-wide basis into two major operating businesses (divisions) which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment manager report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 32, including the factors used to identify the reportable segments and the measurement basis of segment information.

Segment accounting policies are the same as the policies of the Group as disclosed in the preceding paragraphs. The Group generally accounts for inter-segment sales transfers as if the sales or transfers were to third parties at current market prices.

2.22 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. Significant accounting judgments and estimates

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Income taxes

The Group has exposure to income taxes in numerous jurisdictions. Significant judgment is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's tax payables and net deferred tax assets at 31 December 2025 are \$nil (2024: \$279,000) and \$2,438,000 (2024: \$5,148,000) respectively.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) *Revenue from contracts*

The Group has several product or service lines, and it recognises the turnkey project revenue from contracts by reference to the stage of completion of the respective contract activity (i.e., performance obligations) of its projects at the end of each reporting period. The stage of completion is measured by reference to the cost incurred to date relative to the total estimated cost. These assessments required management to apply significant judgment and to make assumptions and estimates in measuring costs incurred for each performance obligation, total budgeted contract cost and remaining cost to completion.

The carrying amounts of the assets and liabilities from contracts arising at the end of each reporting period are disclosed in Note 8 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. Significant accounting judgments and estimates (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(ii) Recoverability of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 9 and Note 8 respectively.

The carrying amount of trade receivables and contract assets as at 31 December 2025 are \$36,892,000 and \$18,840,000 (2024: \$37,978,000 and \$17,869,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. Property, plant and equipment

	Leasehold improvements \$'000	Plant and other equipment \$'000	Furniture and fittings \$'000	Motor vehicles \$'000	Assets under construction \$'000	Total \$'000
Group						
Cost						
At 1 January 2024	2,504	3,496	606	367	2,255	9,228
Additions	154	75	55	–	–	284
Disposal/written off	(672)	(197)	(123)	(16)	–	(1,008)
Currency realignment	(3)	(8)	5	2	(28)	(32)
At 31 December 2024 and 1 January 2025	1,983	3,366	543	353	2,227	8,472
Additions	–	34	6	–	–	40
Disposal/written off	–	(121)	–	(167)	–	(288)
Currency realignment	–	(135)	(6)	(8)	(38)	(187)
At 31 December 2025	1,983	3,144	543	178	2,189	8,037
Accumulated depreciation and impairment						
At 1 January 2024	1,042	2,595	447	367	–	4,451
Charge for the year	370	171	78	–	–	619
Impairment	–	–	–	–	1,696	1,696
Disposals/written off	(672)	(195)	(110)	(16)	–	(993)
Currency realignment	(7)	(1)	5	2	14	13
At 31 December 2024 and 1 January 2025	733	2,570	420	353	1,710	5,786
Charge for the year	376	123	42	–	–	541
Disposals/written off	–	(121)	–	(167)	–	(288)
Currency realignment	(2)	(96)	(8)	(8)	–	(114)
At 31 December 2025	1,107	2,476	454	178	1,710	5,925
Net carrying amount						
At 31 December 2024	1,250	796	123	–	517	2,686
At 31 December 2025	876	668	89	–	479	2,112

During the year, the Group acquired property, plant and equipment with an aggregate cost of \$40,000 (2024: \$284,000). The cash outflow on acquisition of property, plant and equipment amounted to \$46,000 (2024: \$278,000). The remaining amount of \$nil (2024: \$6,000) is unpaid as at year end and is recorded in other payables.

In the previous financial year, the Group impaired assets under construction of a foreign subsidiary amounting to \$1,696,000.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. Property, plant and equipment (cont'd)

	Leasehold improvements \$'000	Plant and other equipment \$'000	Furniture and fittings \$'000	Motor vehicles \$'000	Total \$'000
Company					
Cost					
At 1 January 2024	1,791	825	91	63	2,770
Additions	–	9	–	–	9
At 31 December 2024 and 1 January 2025	1,791	834	91	63	2,779
Additions	–	25	–	–	25
Disposals/written off	–	–	–	(63)	(63)
At 31 December 2025	1,791	859	91	–	2,741
Accumulated depreciation and impairment					
At 1 January 2024	341	597	28	63	1,029
Charge for the year	341	60	17	–	418
At 31 December 2024 and 1 January 2025	682	657	45	63	1,447
Charge for the year	341	65	16	–	422
Disposals/written off	–	–	–	(63)	(63)
At 31 December 2025	1,023	722	61	–	1,806
Net carrying amount					
At 31 December 2024	1,109	177	46	–	1,332
At 31 December 2025	768	137	30	–	935

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5. Intangible assets

	Brand \$'000	Software \$'000	Total \$'000
Group			
Cost			
At 1 January 2024	1,289	619	1,908
Currency realignment	–	4	4
At 31 December 2024 and 1 January 2025	1,289	623	1,912
Additions	–	79	79
Currency realignment	–	(5)	(5)
At 31 December 2025	1,289	697	1,986
Accumulated amortisation			
At 1 January 2024	839	501	1,340
Amortisation	64	74	138
Currency realignment	–	4	4
At 31 December 2024 and 1 January 2025	903	579	1,482
Amortisation	64	38	102
Currency realignment	–	(3)	(3)
At 31 December 2025	967	614	1,581
Net carrying amount			
At 31 December 2024	386	44	430
At 31 December 2025	322	83	405
	Brand \$'000	Software \$'000	Total \$'000
Company			
Cost			
At 1 January 2024 and 31 December 2024	1,289	415	1,704
Additions	–	78	78
At 31 December 2025	1,289	493	1,782
Accumulated amortisation			
At 1 January 2024	839	317	1,156
Amortisation	64	65	129
At 31 December 2024 and 1 January 2025	903	382	1,285
Amortisation	64	30	94
At 31 December 2025	967	412	1,379
Net carrying amount			
At 31 December 2024	386	33	419
At 31 December 2025	322	81	403

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5. Intangible assets (cont'd)

Brand relates to the 'NERA' brand and the useful life is estimated to be 20 years. The remaining amortisation period is 5 years.

Software relates to acquired computer software licences and the useful life is estimated to be 3 to 5 years.

Amortisation expense is recorded in Administrative expenses' line item in profit and loss.

6. Investments in subsidiaries

	Company	
	2025 \$'000	2024 \$'000
Unquoted shares	10,790	11,512
Loan to subsidiaries	21,784	21,784
Impairment loss	(30,945)	(25,542)
Carrying amount after impairment loss	<u>1,629</u>	<u>7,754</u>
Movement in impairment loss:		
At 1 January	25,542	25,542
Charge for the year	5,643	-
Write off upon liquidation	(240)	-
At 31 December	<u>30,945</u>	<u>25,542</u>

Loan to subsidiaries which form part of the Company's net investments in subsidiaries, is unsecured, bear interest rates of 4.97% (2024: 6.18%) and settlement is neither planned nor likely to occur in the foreseeable future. As the amounts are, in substance, a part of the Company's net investment in subsidiaries, they are stated at cost less impairment losses.

During the financial year, the Company has performed an impairment assessment on the subsidiary where impairment indicator exist. The recoverable amount of this subsidiary was determined based on a value in use calculation using cash flow projections. The discount rate applied to the cash flow projection was 12.5% (2024: 17.5%). Based on this assessment, impairment loss of \$5,643,000 (2024: nil) was recognised to during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. Investments in subsidiaries (cont'd)

The details and the principal activities of the subsidiaries are:

Name of company	Principal activity	Country of incorporation and place of business	Percentage of equity interest		Cost of investment	
			2025 %	2024 %	2025 \$'000	2024 \$'000
Nera Networks (S) Pte Ltd (β)	Sales and distribution, design, engineering, servicing, installation and maintenance of transmission networks, satellite communication and information technology networks	Singapore	100	100	1,000	1,000
Nera (Thailand) Limited (*) (ii)	Sales and distribution, design, engineering, servicing, installation and maintenance of transmission networks, satellite communications and information technology networks	Thailand	100	100	1,406	1,406
Nera (Philippines), Inc. (*)	Sales and distribution, design, engineering, servicing, installation and maintenance of transmission networks, satellite communications and information technology networks	Philippines	100	100	1,128	1,128
Nera Infocom (M) Sdn. Bhd. (*)	Sales, installation and maintenance of information technology equipment	Malaysia	100	100	225	225
P.T. Nera Indonesia (*)	Sales and distribution, design, engineering, servicing, installation and maintenance of transmission networks, satellite communications and information technology networks	Indonesia	100	100	5,990	5,990
Nera Telecommunications (Australia) Pty Ltd (#) (iv)	Sales and distribution, design, engineering, servicing, installation and maintenance of transmission networks, satellite communications and information technology networks	Australia	–	100	–	589

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. Investments in subsidiaries (cont'd)

Name of company	Principal activity	Country of incorporation and place of business	Percentage of equity interest		Cost of investment	
			2025 %	2024 %	2025 \$'000	2024 \$'000
Nera Telecommunications (India) Pvt. Ltd. (#)	Sales and distribution, design, engineering, servicing, installation and maintenance of transmission networks, satellite communications and information technology networks	India	100	100	570	570
Nera (Malaysia) Sdn. Bhd. (*)	Sales, installation and maintenance of communications equipment	Malaysia	100	100	404	404
Nera Telecommunications (Myanmar) Company Limited (#) (iv)	Service, maintenance and leasing	Myanmar	–	100	–	133
Nera Telecommunications (Vietnam) Co., Ltd. (#)	Installation, maintenance, service and repair of info-communications and telecommunications equipment	Vietnam	100	100	67	67
					<u>10,790</u>	<u>11,512</u>
Held through Nera Networks (S) Pte Ltd						
Nera Telecommunications AS (#) (i)	Sales and distribution, design, engineering, servicing, installation and maintenance of transmission networks, satellite communications and information technology networks	Norway	100	100		
Nera Telecommunications Maroc S.A.R.L AU (**) (i)	Sales and distribution, design, engineering, servicing, installation and maintenance of transmission networks, satellite communications and information technology networks	Morocco	100	100		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. Investments in subsidiaries (cont'd)

Name of company	Principal activity	Country of incorporation and place of business	Percentage of equity interest	
			2025 %	2024 %
Held through Nera Networks (S) Pte Ltd (cont'd)				
Nera Telecommunications (Pakistan) (Private) Limited (#) (i)	Sales and distribution, design, engineering, servicing, installation and maintenance of transmission networks, satellite communications and information technology networks	Pakistan	100	100
Nera Telecommunications FZ-LLC (#) (i) (v)	Sales and distribution, design, engineering, servicing, installation and maintenance of transmission networks, satellite communications and information technology networks	United Arab Emirates	–	100
Nera Telecommunications Holding (Thailand) Co., Ltd. (#) (i) (iii)	Investment holding	Thailand	100	100

(B) Audited by Ernst & Young LLP, Singapore.

(*) Audited by member firms of Ernst & Young Global in the respective countries.

(#) Audited by other CPA firms in the respective countries.

(**) No requirement for statutory audit.

(i) Cost of investment is not stated as the subsidiaries are not directly held by the Company (Nera Telecommunications Ltd).

(ii) The Company holds 49% of the ordinary shares in the subsidiary while the remaining 51% preference shares is held by its subsidiary, Nera Telecommunications Holdings (Thailand) Co. Ltd.

(iii) The Group holds 49% of the ordinary shares in the subsidiary while the remaining 51% is held by a preference shareholder. The preference shareholder is entitled to one vote per 30 shares held, fixed non-cumulative preferred dividend at a rate of 1% of paid-up value of the shares and has preferred right to receive such dividend and paid-up value prior to ordinary shares. Nera Telecommunications Holding (Thailand) Co., Ltd. is treated as a subsidiary of the Group as the Group has majority voting rights and has control over the subsidiary.

(iv) As of 31 December 2025, the Company has been wound up or de-registered.

(v) As of 31 December 2025, the Company has been disposed off.

As required by Rule 716 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Audit and Risk Management Committee and the Board of Directors of the Company have satisfied themselves that the appointment of different auditors for its overseas subsidiaries would not compromise the standard and effectiveness of the audit of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. Stocks

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Network equipment	5,246	4,859	4,536	4,438

At 31 December 2025, stocks recognised as an expense in the consolidated statement of comprehensive income under line item "Cost of sales" for the Group amounted to \$30,623,000 (2024: \$35,403,000) inclusive of stocks write-down of \$nil (2024: \$6,000).

8. Revenue

(a) Disaggregation of revenue

Segments	WIN*		NI*		Total revenue	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Primary geographical markets						
Singapore	430	1,246	52,890	48,938	53,320	50,184
Malaysia	2,604	3,197	20,297	15,350	22,901	18,547
EMEA countries	9,881	10,351	953	1,606	10,834	11,957
Indonesia	678	2,154	6,786	11,462	7,464	13,616
Thailand	718	914	765	1,230	1,483	2,144
Philippines	96	206	498	296	594	502
Others	3,597	1,295	–	–	3,597	1,295
	<u>18,004</u>	<u>19,363</u>	<u>82,189</u>	<u>78,882</u>	<u>100,193</u>	<u>98,245</u>
Major product or service lines						
Rendering of services	5,643	7,326	49,289	43,673	54,932	50,999
Sale and installation of network equipment	5,541	2,708	29,991	33,790	35,532	36,498
Turnkey project	6,820	9,329	2,909	1,419	9,729	10,748
	<u>18,004</u>	<u>19,363</u>	<u>82,189</u>	<u>78,882</u>	<u>100,193</u>	<u>98,245</u>
Timing of transfer of goods or services						
At a point in time	5,541	2,708	29,991	33,790	35,532	36,498
Over time	12,463	16,655	52,198	45,092	64,661	61,747
	<u>18,004</u>	<u>19,363</u>	<u>82,189</u>	<u>78,882</u>	<u>100,193</u>	<u>98,245</u>

* Please refer to definition as defined in Note 32.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

8. Revenue (cont'd)

(b) *Judgment and methods used in estimating revenue*

- (i) Determining transaction price and amounts allocated to sale of equipment with installation services, sale of equipment with maintenance services and turnkey project with maintenance services

For the bundled contracts, the Group allocates the transaction price to sale of equipment with installation services, sale of equipment with maintenance services and turnkey project with maintenance services based on their relative stand-alone selling prices. The standalone selling prices are determined based on estimated cost plus margin.

- (ii) Recognition of revenue from turnkey project over time

For rendering of turnkey projects where the Group satisfies its performance obligations over time, management has determined that cost-based input method provides a faithful depiction of the Group's performance in transferring control to the customers, as it reflects the Group's efforts incurred to date relating to the total inputs expected to be incurred. The measurement of progress is based on the costs incurred to date as a proportion of the costs to be incurred to the satisfaction of the performance obligation.

The estimated total costs are based on contractual amounts and, in respect of amounts not contracted for, management relies on past experience and knowledge of the project engineers to make estimates of the amounts to be incurred. In making these estimates, management takes into consideration the historical trends for the amount incurred in its other similar services and projects.

- (iii) Estimating variable consideration for turnkey projects

In estimating the variable consideration for liquidated damages, the Group uses the most likely amount method to predict the liquidated damages. Management relies on historical experiences with similar turnkey projects, customers and geographical areas. Management has exercised significant judgment in estimating the amount of consideration to which it expects to be entitled and of which the amount are included in the contract revenue to the extent that it is probable that there will be no significant reversal when the uncertainties are resolved.

(c) *Contract assets and contract liabilities*

Information about receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Trade receivables (Note 9)	36,892	37,978	14,170	13,586
Contract assets	18,840	17,869	7,915	7,755
Contract liabilities	26,131	25,677	22,543	20,033

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

8. Revenue (cont'd)

(c) *Contract assets and contract liabilities (cont'd)*

The Group has recognised a net impairment loss on receivables arising from contracts with customers amounting to \$40,000 (2024: net write-back of impairment losses on receivables of \$94,000). The Company has recognised a net write-back of impairment loss on receivables arising from contracts with customers amounting to \$80,000 (2024: net impairment loss on receivables of \$153,000).

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date. Contract assets are transferred to receivables when the rights become unconditional.

The Group has recognised a net impairment loss on contract assets amounting to \$813,000 (2024: net write-back of impairment loss on contract assets of \$77,000). The Company has recognised a net impairment loss on contract assets amounting to \$1,000 (2024: net write-back of impairment loss on contract assets of \$11,000).

The movement in allowance for expected credit losses of contract assets computed based on lifetime ECL are as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Movement in allowance accounts:				
At 1 January	2,877	3,728	2,072	2,083
Charge for the year	813	-	1	-
Written back	-	(77)	-	(11)
Written off	-	(933)	-	-
Currency realignment	(16)	159	-	-
At 31 December	<u>3,674</u>	<u>2,877</u>	<u>2,073</u>	<u>2,072</u>

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group billed and received consideration ahead of the provision of services and delivering of goods.

Contract liabilities are recognised as revenue as the Group performs under the contract.

(i) Significant changes in contract assets are explained as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Contract assets reclassified to receivables	<u>14,442</u>	<u>17,987</u>	<u>5,256</u>	<u>7,241</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

8. Revenue (cont'd)

(c) *Contract assets and contract liabilities (cont'd)*

(ii) Significant changes in contract liabilities are explained as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Revenue recognised that was included in the contract liability balance at the beginning of the year	<u>15,098</u>	<u>15,178</u>	<u>10,816</u>	<u>9,193</u>

(d) *Transaction price allocated to remaining performance obligations*

The aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2025 is \$104,520,000 (2024: \$117,980,000), which the Group expects to recognise as revenue in 2026 and 2027.

9. Trade receivables

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Trade receivables	39,449	40,618	14,276	13,772
Less: Allowance for impairment of trade receivables	<u>(2,557)</u>	<u>(2,640)</u>	<u>(106)</u>	<u>(186)</u>
Total trade receivables	36,892	37,978	14,170	13,586
Add:				
Other receivables and deposits (excluding staff advances, prepayments and tax recoverable) (Note 10)	1,454	1,094	332	370
Cash and bank balances (Note 27)	10,182	10,591	1,970	2,649
Fixed deposits (Note 27)	–	3,708	–	3,708
Amounts due from subsidiaries	–	–	2,478	6,765
Total financial assets carried at amortised cost	<u>48,528</u>	<u>53,371</u>	<u>18,950</u>	<u>27,078</u>

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

At balance sheet date, retention sums relating to contracts included in trade receivables of the Group and the Company are \$2,656,000 and nil (2024: \$3,426,000 and nil) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

9. Trade receivables (cont'd)

As at 31 December, the following amounts denominated in a currency other than the respective subsidiaries functional currency are included in the trade receivables for the Group and the Company:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
US dollar	4,995	10,034	618	3,699
Other currencies	52	37	-	-

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Movement in allowance accounts:				
At 1 January	2,640	2,750	186	38
Charge for the year	120	341	-	186
Written back	(80)	(435)	(80)	(33)
Written off	(65)	(94)	-	(5)
Currency realignment	(58)	78	-	-
At 31 December	2,557	2,640	106	186

10. Other receivables, deposits and prepayments

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Prepayments	19,422	21,199	18,584	18,913
Deposits	979	670	218	231
Staff advances	7	12	-	-
Tax recoverable	689	856	-	-
Other debtors	475	424	114	139
	21,572	23,161	18,916	19,283
Non-current	258	243	-	-
Current	21,314	22,918	18,916	19,283
	21,572	23,161	18,916	19,283

Staff advances and other debtors are unsecured and non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

11. Amounts due from/(to) subsidiaries (trade and non-trade)

	Company	
	2025 \$'000	2024 \$'000
Amounts due from subsidiaries (trade)	1,412	1,054
Less: Allowance for impairment	(1,133)	(419)
	<u>279</u>	<u>635</u>
Amounts due from subsidiaries (non-trade)	8,626	6,806
Less: Allowance for impairment	(6,427)	(676)
	<u>2,199</u>	<u>6,130</u>

Expected credit losses

The movement in allowance for expected credit losses of amounts due from subsidiaries computed based on lifetime ECL are as follows:

	Company	
	2025 \$'000	2024 \$'000
Movement in allowance accounts:		
At 1 January	1,095	1,930
Charge for the year	6,510	425
Written back	(45)	(1,260)
At 31 December	<u>7,560</u>	<u>1,095</u>

The trade balances are non-interest bearing and are generally on 30 days' terms.

The non-trade balances are unsecured, repayable on demand and are to be settled in cash. Included in non-trade balances are advances to subsidiaries of \$4,957,000 (2024: \$4,468,000) that bear interest from 3.5% to 5.9% per annum (2024: 3.5% to 7.5% per annum). Other balances due from/(to) subsidiaries do not bear any interest.

12. Trade payables

Trade payables are non-interest bearing and are normally settled on 30 to 90 days' terms.

Included in trade payables are accrued project costs amounting to \$13,498,000 (2024: \$6,669,000) and forward currency contracts amounting to \$nil (2024: \$106,000).

As at 31 December, the following amounts denominated in a currency other than the respective subsidiaries functional currency are included in trade payables for the Group and the Company:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
US dollar	5,996	6,726	3,339	4,269
Norwegian krone	287	20	–	–
Other currencies	<u>13</u>	<u>306</u>	<u>–</u>	<u>–</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. Other payables and accruals

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Accrued payroll and staff expenses	1,375	2,299	355	1,565
Other accrued operating expenses	1,057	2,088	186	507
Other creditors	260	1,851	40	828
Withholding tax payables	9	9	–	–
Total other payables and accruals	2,701	6,247	581	2,900
Add:				
Trade payables	24,942	20,733	6,226	6,294
Amounts due to subsidiaries (Note 11)	–	–	1,503	80
Borrowings (Note 15)	3,000	9,108	3,000	7,822
Lease liabilities – current (Note 16)	2,033	1,679	1,275	1,258
Lease liabilities – non-current (Note 16)	3,081	3,724	1,992	3,202
Less:				
Withholding tax payables	(9)	(9)	–	–
Total financial liabilities carried at amortised cost	35,748	41,482	14,577	21,556

14. Provision for warranty

A provision is recognised for expected warranty claims on goods and services sold in the past 12 months (average warranty period) based on past experience of the level of repairs and returns. The provision is classified as current liability as it is difficult to predict the timing of warranty utilisation due to the following reasons:

- there is unpredictability in the network system in which it is possible for a failed IT equipment to cause the whole network to not be operational;
- the Group continues to work on projects and install equipment for customers in environments that are considerably more challenging;
- the Group continues to use equipment from new vendors whose equipment may not be fully tested in different environments; and
- there is a mismatch of the duration of the warranty coverage.

Movements in provision for warranty during the year are as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 January	490	491	407	417
Provision for the year	440	505	416	455
Write-back of provision	(268)	(99)	(240)	(73)
Utilised during the year	(167)	(406)	(167)	(392)
Currency realignment	(5)	(1)	–	–
At 31 December	490	490	416	407

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

14. Provision for warranty (cont'd)

The Group may from time to time in the ordinary course of business be subject to claims or settlement with customers and if the amounts arising do not fall within the provision for warranty, the charges will be taken to cost of sales, as appropriate.

15. Borrowings

	Effective %	Maturities	Group		Company	
			2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Short-term borrowings (unsecured):						
Singapore dollar floating rate bank loans	2.78% to 2.86%	January 2026	3,000	4,500	3,000	4,500
US dollar floating rate trade line	5.78% to 5.86%	March 2025	–	3,322	–	3,322
Indonesia rupiah floating rate trade line	9.76%	January 2025	–	1,286	–	–
			<u>3,000</u>	<u>9,108</u>	<u>3,000</u>	<u>7,822</u>

A reconciliation of liabilities arising from financing activities is as follows:

	1 January 2025 \$'000	Cash flows \$'000	New leases \$'000	Foreign exchange movement \$'000	Others \$'000	31 December 2025 \$'000
Short-term borrowings (unsecured):						
– current	9,108	(6,108)	–	–	–	3,000
Lease liabilities	<u>5,403</u>	<u>(1,985)</u>	<u>1,343</u>	<u>48</u>	<u>305</u>	<u>5,114</u>

	1 January 2024 \$'000	Cash flows \$'000	New leases \$'000	Foreign exchange movement \$'000	Others \$'000	31 December 2024 \$'000
Short-term borrowings (unsecured):						
– current	11,997	(2,889)	–	–	–	9,108
Lease liabilities	<u>5,951</u>	<u>(1,986)</u>	<u>1,140</u>	<u>20</u>	<u>278</u>	<u>5,403</u>

Breach of loan covenants

As at 31 December 2025, the Company was in breach of loan covenants related to borrowings from banks (the "Banks"), specifically concerning the maintenance of the Group's Consolidated Tangible Net Worth in relation to a term loan of \$3,000,000. There were no changes in the classification of the short-term borrowings, as they were already classified as current in the Group's financial statements as at that date. As of 31 December 2025, the Company has obtained a one-time waiver of the breaches from the Banks which last until 31 August 2026, with the facilities remaining available and the repayment terms unchanged.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

15. Borrowings (cont'd)

Bank facilities

The Group has existing bank facilities amounting to \$41,084,000 which have yet to be utilised and can be tapped on for its funding requirements.

16. Leases

The Group has lease contracts for various items of plant, machinery and other equipment used in its operations. Leasehold land and building generally have lease terms between 3 and 5 years. Leases of plant and other equipment generally have lease terms between 1 and 5 years. The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Group	Leasehold land and building \$'000	Plant and other equipment \$'000	Total \$'000
Cost			
At 1 January 2024	6,261	631	6,892
Additions	876	264	1,140
Disposal	(80)	(113)	(193)
Currency realignment	22	14	36
At 31 December 2024 and 1 January 2025	7,079	796	7,875
Additions	1,273	70	1,343
Disposal	(231)	(191)	(422)
Currency realignment	6	11	17
At 31 December 2025	8,127	686	8,813
Accumulated depreciation			
At 1 January 2024	2,150	283	2,433
Charge for the year	1,363	235	1,598
Disposal	(80)	(113)	(193)
Currency realignment	9	6	15
At 31 December 2024 and 1 January 2025	3,442	411	3,853
Charge for the year	1,337	222	1,559
Disposal	(231)	(191)	(422)
Currency realignment	(38)	8	(30)
At 31 December 2025	4,510	450	4,960
Net carrying amount			
At 31 December 2024	3,637	385	4,022
At 31 December 2025	3,617	236	3,853

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. Leases (cont'd)

Company	Leasehold land and building \$'000	Plant and other equipment \$'000	Total \$'000
Cost			
At 1 January 2024	4,841	423	5,264
Additions	40	158	198
Disposal	–	(113)	(113)
At 31 December 2024 and 1 January 2025	4,881	468	5,349
Additions	–	52	52
Disposal	–	(71)	(71)
At 31 December 2025	4,881	449	5,330
Accumulated depreciation			
At 1 January 2024	1,100	200	1,300
Charge for the year	884	131	1,015
Disposal	–	(113)	(113)
At 31 December 2024 and 1 January 2025	1,984	218	2,202
Charge for the year	891	144	1,035
Disposal	–	(71)	(71)
At 31 December 2025	2,875	291	3,166
Net carrying amount			
At 31 December 2024	2,897	250	3,147
At 31 December 2025	2,006	158	2,164

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 January	5,403	5,951	4,460	5,396
Additions	1,343	1,140	52	198
Accretion of interest (Note 23)	305	278	139	183
Payments	(1,985)	(1,986)	(1,384)	(1,317)
Currency realignment	48	20	–	–
At 31 December	5,114	5,403	3,267	4,460
Current	2,033	1,679	1,275	1,258
Non-current	3,081	3,724	1,992	3,202
Total lease liabilities	5,114	5,403	3,267	4,460

The maturity analyses of lease liabilities are disclosed in Note 33.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. Leases (cont'd)

The following are the amounts recognised in profit or loss:

	Group	
	2025	2024
	\$'000	\$'000
Depreciation expense of right-of-use assets	1,559	1,598
Interest expense on lease liabilities	305	278
Expense relating to leases of short term lease assets (included in administrative expenses)	84	106
Expense relating to leases of low-value assets (included in administrative expenses)	1	2
Total amount recognised in profit or loss	<u>1,949</u>	<u>1,984</u>

The Group has total cash outflows for leases of \$2,070,000 in 2025 (2024: \$2,094,000).

17. Share capital

	Group and Company			
	2025	2024	2025	2024
	\$'000	\$'000	Number of shares	
	\$'000	\$'000	'000	'000
Issued and fully paid ordinary shares:				
At 1 January and 31 December	<u>29,909</u>	<u>29,909</u>	<u>361,897</u>	<u>361,897</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

18. Translation reserve

The translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

	Group	
	2025	2024
	\$'000	\$'000
At 1 January	(1,468)	(1,463)
Current year translation	(266)	(5)
At 31 December	<u>(1,734)</u>	<u>(1,468)</u>
Net effect of exchange differences arises from:		
Translation of financial statements of foreign operations	<u>(266)</u>	<u>(5)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. Other expenses

	Group	
	2025	2024 (Restated)
	\$'000	\$'000
Unrealised foreign exchange (loss)/gain, net	(1,118)	676
Retrenchment costs	(735)	(531)
Realised foreign exchange loss, net	(506)	(298)
Foreign exchange loss, net – forward currency contracts	(141)	(106)
Impairment of property, plant and equipment	–	(1,696)
Net gain on disposal of subsidiaries	1,448	–
Government grants	64	37
Net gain on disposal of property, plant and equipment	23	6
Others	392	221
	<u>(573)</u>	<u>(1,691)</u>

20. Profit/(loss) from operating activities

The following items have been included in arriving at profit/(loss) from operating activities:

	Group	
	2025	2024
	\$'000	\$'000
Audit fees to:		
Auditors of the Company	369	325
Audit fees paid to other member firms of EY Global	131	122
Other auditors	6	18
Non-audit fees to:		
Auditors of the Company	49	37
Non-audit fees paid to other member firms of EY Global	44	41
Other auditors	89	123
Amortisation of intangible asset	102	138
Bad debts written off	14	68
Write-back for doubtful trade receivables	(80)	(435)
Impairment loss on trade receivables	120	341
Net gain on disposal of property, plant and equipment	(23)	(6)
Impairment of property, plant and equipment	–	1,696
Depreciation of property, plant and equipment	541	619
Depreciation of right-of-use assets	1,559	1,598
Legal fee	80	206
	<u>80</u>	<u>206</u>

21. Personnel expenses and employee benefits

	Group	
	2025	2024 (Restated)
	\$'000	\$'000
Wages, salaries and bonuses	14,411	20,829
Pension contributions	1,793	2,645
Other personnel benefits	2,055	2,577
Termination benefits	735	531
	<u>18,994</u>	<u>26,582</u>

Personnel expenses include Directors and Executive Officers' remuneration as shown in Note 31.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

22. Finance income

	Group	
	2025 \$'000	2024 \$'000
Interest income from:		
Bank deposits	114	308
Long term trade receivables	–	46
	114	354

23. Finance expenses

	Group	
	2025 \$'000	2024 \$'000
Interest expense	214	266
Interest on lease liabilities	305	278
	519	544

24. Tax

Major components of income tax expense for the year ended 31 December are:

	Group	
	2025 \$'000	2024 \$'000
Consolidated income statement:		
<i>Current income tax:</i>		
Current income taxation	459	586
Over provision in respect of prior years	–	(620)
<i>Deferred income tax:</i>		
Current year	2,174	(1,083)
Prior year	430	(48)
Income tax expense/(credit) recognised in profit and loss	3,063	(1,165)

A reconciliation between the tax expense/(credit) and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the year ended 31 December is as follows:

	Group	
	2025 \$'000	2024 \$'000
Profit/(loss) before tax from continuing operations	71	(3,970)
Tax at 17%	12	(675)
Tax effect of expenses that are not deductible in determining taxable profit/(loss)	791	600
Under/(over) provision in respect of prior years	430	(668)
Difference in tax rates applicable to subsidiaries	(336)	(120)
Tax effect of income not subject to tax	(1)	(371)
Deferred tax asset recognised during the year	–	(405)
Utilisation of previously recognised deferred tax assets	282	139
Utilisation of previously unrecognised deferred tax assets	(60)	(17)
Deferred tax assets not recognised by subsidiaries	53	352
Reversal of deferred tax assets recognised in prior years	1,892	–
	3,063	(1,165)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. Tax (cont'd)

Deferred tax as at 31 December related to the following:

	Group		Consolidated income statement		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Deferred tax liabilities:</i>						
Differences in depreciation of property, plant and equipment for tax purposes	120	50	(70)	19	137	62
Difference in amortisation of intangible assets	(55)	(71)	(16)	(22)	(55)	(71)
Right-of-use assets	<u>(427)</u>	<u>(639)</u>	<u>(212)</u>	<u>(35)</u>	<u>(368)</u>	<u>(535)</u>
	(362)	(660)			(286)	(544)
<i>Deferred tax assets:</i>						
Interest income receivables	(302)	(302)	–	95	(302)	(246)
General provisions	648	1,245	597	516	293	215
Tax losses	1,890	3,843	1,953	(1,666)	1,890	2,232
Retirement benefit	–	138	138	5	–	–
Lease liabilities	555	857	302	11	555	758
Others	<u>9</u>	<u>27</u>	<u>18</u>	<u>(27)</u>	<u>10</u>	<u>27</u>
Net deferred tax assets	<u>2,438</u>	<u>5,148</u>			<u>2,160</u>	<u>2,442</u>
Foreign exchange differences			<u>(106)</u>	<u>(27)</u>		
Net deferred tax expense/(credit)			<u>2,604</u>	<u>(1,131)</u>		

Effective 1 January 2025, the corporate tax rate for a company incorporated in Morocco has changed to proportional tax rate from 17.5% to 34% depending on the taxable income. For a company with no taxable income, a minimum tax of 0.25% on the annual turnover is applied.

As at 31 December 2025, the Group and the Company recognised deferred tax assets of \$2,438,000 (2024: \$5,148,000) and \$2,160,000 (2024: \$2,442,000) respectively. The deferred tax assets are mainly related to unused tax losses and deductible temporary differences arising from one of the subsidiaries of the Group and the Company. Deferred tax assets have been recognised to the extent it is probable that there will be future taxable profits available against which the deductible temporary difference can be utilised.

Unrecognised tax losses

The Group has tax losses of approximately \$23,830,000 (2024: tax losses and capital allowances of approximately \$15,953,000) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. Tax (cont'd)

Unrecognised temporary differences relating to investments in subsidiaries

At the end of the reporting year, no deferred tax liability (2024: nil) has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries as the Group has determined that undistributed earnings of its subsidiaries will not be distributed in the foreseeable future.

Such temporary differences for which no deferred tax liability has been recognised aggregate to \$4,776,000 (2024: \$4,543,000). The deferred tax liability is estimated to be \$239,000 (2024: \$227,000).

Tax consequences of proposed dividends

There are no income tax consequences (2024: nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 26).

OECD Pillar Two model rules

The Group is within the scope of the Pillar Two model rules, and it applies the SFRS(I) 1-12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. In December 2024, Singapore enacted the Pillar Two legislation and implemented the Income Inclusion Rule ("IRR") and a Domestic Minimum Top-up Tax ("DTT"), effective from 1 January 2025. Under the legislation, the Group is liable to pay a top-up tax for the difference between its Global Anti-Base Erosion Rules (GloBE") effective tax rate in each jurisdiction and the 15% minimum rate.

The Group has estimated that the effective tax rates exceed 15% in all jurisdictions in which it operates and does not expect any material impact to the consolidated financial statements based on the Group's assessment using current available information.

25. Earnings per share

(a) *Continuing operations*

Basic earnings per share is calculated by dividing the net profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of dilutive options).

The following tables reflect the income and share data used in the computation of basic and diluted earnings per share for the years ended 31 December:

	Group	
	2025	2024
Net loss attributable to ordinary equity holders of the Company for basic and diluted earnings per share (\$'000)	<u>(2,992)</u>	<u>(2,805)</u>
Weighted average number of ordinary shares for basic and diluted earnings per share computation ('000)	<u>361,897</u>	<u>361,897</u>

There have been no transactions involving ordinary shares or potential ordinary shares since the end of the financial year and before the completion of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

25. Earnings per share (cont'd)

(b) *Earnings per share computation*

The basic and diluted earnings per share are calculated by dividing the profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares for both basic and diluted earnings per share computation. The profit and share data are presented in Note 25(a) above.

26. Dividends

	Group and Company	
	2025	2024
	\$'000	\$'000
Declared and paid during the financial year:		
<i>Dividends on ordinary shares:</i>		
– A final exempt (one-tier) dividend paid in respect of the previous financial year of nil cents (2024: 0.5 cents) per share	–	1,809

27. Cash and cash equivalents

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Fixed deposits	–	3,708	–	3,708
Cash and bank balances	10,182	10,591	1,970	2,649
Deposits pledged	(10)	(10)	–	–
Cash and cash equivalents in the cashflow statement	<u>10,172</u>	<u>14,289</u>	<u>1,970</u>	<u>6,357</u>

Cash at banks earns interest at floating rates based on daily bank deposit rates ranging from 0.004% to 3.75% (2024: 0.003% to 3.75%) per annum. Included in cash and cash equivalents are amounts totalling \$10,000 (2024: \$10,000) pledged in accordance to a contractual arrangement and for purpose of bankers' guarantees issued.

Fixed deposits of the Group and the Company were made for a period of 30 days depending on the immediate cash requirements of the Group and the Company, and earned interest at the respective fixed deposit rates. The effective interest rates of fixed deposits range from 1.17% to 4.13% (2024: 2.65% to 5.16%) per annum.

Cash and deposits denominated in foreign currencies at 31 December are as follows:

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
US dollar	549	2,308	236	1,549
AU dollar	46	8	46	8
Euro	253	947	90	794
Norwegian krone	262	72	–	–
Other currencies	<u>35</u>	<u>4</u>	<u>–</u>	<u>–</u>

28. Employee share plan

The Group and the Company does not have any share option scheme currently in effect.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

29. Commitments

(a) *Capital commitments*

At 31 December 2025, the Group has no commitments relating to the purchase of new property, plant and equipment and renovation cost.

(b) *Non-cancellable operating lease commitments – as lessor*

As at 31 December 2025, the Group has no commitments under operating leases for equipment.

30. Contingent liabilities

	Group and Company	
	2025	2024
	\$'000	\$'000
Guarantees		
Bankers' guarantees issued by banks on behalf of subsidiaries	2,233	830

31. Related party disclosures

An entity or individual is considered a related party of the Group for the purposes of the financial statements if: (i) it possesses the ability (directly or indirectly) to control or exercise significant influence over the operating and financial decisions of the Group or vice versa; or (ii) it is subject to common control or significant influence.

(a) *Sales and purchase of goods and services*

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties who are not members of the Group took place during the financial year at terms agreed between the parties.

	Group	
	2025	2024
	\$'000	\$'000
Transactions with immediate holding company:		
Management services income	451	40

(b) *Compensation of key management personnel*

	Group	
	2025	2024
	\$'000	\$'000
Directors of the Company:		
Directors' fees	240	270
Directors' remuneration	437	551
Defined contribution benefits	–	16
Key management:		
Key management's remuneration	1,441	1,933
Defined contribution benefits	53	77

Key management personnel are the Directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

32. Segment information

For management purposes, the Group is organised on a worldwide basis into operating businesses (divisions) as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. The Group is organised into two main operating businesses, namely:

Wireless Infrastructure – Sales, marketing and distribution, design and engineering, project implementation, service and maintenance of satellite communications, transmission products and systems and wireless solutions.

Network Infrastructure – Sales, marketing and distribution, design and engineering, project implementation, service and maintenance of info-communications network infrastructure, network security solutions, IP networks, optical networks and broadcast infrastructure.

The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment turnover, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

	WIN \$'000	NI \$'000	Adjustments \$'000	Notes	Total \$'000
2025					
Revenue	18,004	82,189			100,193
Cost of sales	(14,140)	(68,224)			(82,364)
Gross profit	3,864	13,965			17,829
Distribution and selling expenses	(1,542)	(4,997)			(6,539)
Administrative expenses	(2,099)	(8,142)			(10,241)
Other income/(expenses)	480	(1,053)			(573)
Profit/(loss) from operating activities	703	(227)			476
Finance income					114
Finance expenses					(519)
Profit before tax					71
Tax					(3,063)
Net loss for the year					(2,992)
Other information					
Segment assets	16,125	51,223	34,192	A	101,540
Segment liabilities	8,000	48,677	6,135	B	62,812
Capital expenditure	7	33			40
Depreciation and amortisation	186	2,016			2,202
Other non-cash income (*)	85	954			1,039

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

32. Segment information (cont'd)

Allocation basis and transfer pricing (cont'd)

	WIN (Restated) \$'000	NI (Restated) \$'000	Adjustments \$'000	Notes	Total (Restated) \$'000
2024					
Revenue	19,363	78,882			98,245
Cost of sales	(14,534)	(62,891)			(77,425)
Gross profit	4,829	15,991			20,820
Distribution and selling expenses	(2,328)	(8,299)			(10,627)
Administrative expenses	(2,464)	(9,818)			(12,282)
Other income/(expenses)	52	(1,743)			(1,691)
Profit/(loss) from operating activities	89	(3,869)			(3,780)
Finance income					354
Finance expenses					(544)
Loss before tax					(3,970)
Tax					1,165
Net loss for the year					(2,805)
Other information					
Segment assets	21,825	46,019	42,608	A	110,452
Segment liabilities	10,113	42,190	16,239	B	68,542
Capital expenditure	20	264			284
Depreciation and amortisation	212	2,143			2,355
Other non-cash (income)/expenses (*)	107	202			309

(*) Other non-cash (income)/expenses include net provision for warranty, stocks written down, net allowance for doubtful trade debts, net allowance for contract assets and bad debts written off.

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A The following items are added to segment assets to arrive at total assets reported in the consolidated balance sheet:

	2025 \$'000	2024 \$'000
Deferred tax assets	2,438	5,148
Other receivables, deposits and prepayments	21,572	23,161
Cash and cash equivalents	10,182	10,591
Fixed deposits	–	3,708
	<u>34,192</u>	<u>42,608</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

32. Segment information (cont'd)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements (cont'd)

B The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	2025 \$'000	2024 \$'000
Defined benefit obligation	434	605
Other payables and accruals	2,701	6,247
Borrowings	3,000	9,108
Provision for taxation	–	279
	<u>6,135</u>	<u>16,239</u>

Geographical segments

Revenue and non-current assets (excluding deferred tax assets) information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Singapore	53,320	50,184	3,501	4,897
Malaysia	22,901	18,547	1,785	738
EMEA countries	10,834	11,957	182	253
Indonesia	7,464	13,616	140	305
Thailand	1,483	2,144	93	170
Philippines	594	502	927	1,018
Others	3,597	1,295	–	–
	<u>100,193</u>	<u>98,245</u>	<u>6,628</u>	<u>7,381</u>

Non-current assets information presented above consist of intangible assets, property, plant and equipment, right-of-use assets, long term other receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, liquidity risk and credit risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks. The audit and risk management committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities. The foreign currencies in which these transactions are denominated are mainly US dollar and Euro. Approximately 13% (2024: 18%) of the Group's turnover and 52% (2024: 55%) of the Group's purchases are denominated in foreign currencies.

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the balance sheet date, such foreign currency balances amount to \$1,145,000 (2024: \$3,339,000) and \$372,000 (2024: \$2,351,000) for the Group and the Company respectively.

The Group uses forward currency contracts to mitigate the currency exposures on transactions in excess of \$100,000 for which payment is anticipated more than one month after the Group has entered into a firm commitment for a sale or purchase. The forward currency contracts are in the same currency as the underlying exposure. It is the Group's policy not to enter into forward currency contracts until a firm commitment is in place and to negotiate the terms of forward currency contracts to match the terms of the underlying exposure.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations. These investments are not hedged as the respective currency positions are considered to be long-term in nature.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. Financial risk management objectives and policies (cont'd)

Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar, and Euro exchange rates (against SGD), with all other variables held constant, of the Group's profit/(loss) before tax.

	Group	
	2025 \$'000	2024 \$'000
US dollar		
– Strengthened 3% (2024: 3%)	17	229
– Weakened 3% (2024: 3%)	(17)	(229)
Euro		
– Strengthened 5% (2024: 5%)	19	67
– Weakened 5% (2024: 5%)	(19)	(67)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from cash and cash equivalents and borrowings.

The Group's policy is to obtain the most favourable interest rates available without increasing its foreign currency exposure.

Surplus funds are placed with reputable banks.

Information relating to the Group's interest rate exposure is also disclosed in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. Financial risk management objectives and policies (cont'd)

Interest rate risk (cont'd)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on interest income from cash assets placed with banks with all other variables held constant, of the Group's profit/(loss) before tax.

	Group	
	Increase/ (decrease) basis points	Effect on profit/(loss) before tax \$'000
2025		
US dollar bank placements	(100)	(7)
Euro bank placements	(100)	(4)
Singapore dollar bank borrowings	(100)	(30)
US dollar bank placements	100	7
Euro bank placements	100	4
Singapore dollar bank borrowings	100	30
2024		
US dollar bank placements	(100)	(31)
Euro bank placements	(100)	(13)
Singapore dollar bank borrowings	(100)	(45)
Indonesia Rupiah bank borrowings	(100)	(13)
US dollar bank borrowings	(100)	(33)
US dollar bank placements	100	31
Euro bank placements	100	13
Singapore dollar bank borrowings	100	45
Indonesia Rupiah bank borrowings	100	13
US dollar bank borrowings	100	33

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The principal method the Group uses to manage liquidity risk arising from financial liabilities is maintaining an adequate level of cash and cash equivalents and committed stand-by credit facilities with banks. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

The table below analyses the Group's financial assets and liabilities and certain derivative financial instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at reporting date to the contractual maturity date. The carrying amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying amounts as the impact of discounting is insignificant.

	2025			2024				
	1 year or less \$'000	1-5 years \$'000	> 5 years \$'000	Total \$'000	1 year or less \$'000	1-5 years \$'000	> 5 years \$'000	Total \$'000
Group								
Financial assets:								
Trade receivables	36,892	–	–	36,892	37,978	–	–	37,978
Other receivables and deposits (excluding staff advances, prepayments and tax recoverable)	1,196	258	–	1,454	851	243	–	1,094
Cash and bank balances	10,182	–	–	10,182	10,591	–	–	10,591
Fixed deposits	–	–	–	–	3,708	–	–	3,708
Total undiscounted financial assets	<u>48,270</u>	<u>258</u>	<u>–</u>	<u>48,528</u>	<u>53,128</u>	<u>243</u>	<u>–</u>	<u>53,371</u>
Financial liabilities:								
Trade payables	24,942	–	–	24,942	20,733	–	–	20,733
Other payables and accruals (excluding withholding tax payables)	2,692	–	–	2,692	6,238	–	–	6,238
Borrowings	3,000	–	–	3,000	9,146	–	–	9,146
Lease liabilities	<u>2,321</u>	<u>3,333</u>	<u>–</u>	<u>5,654</u>	<u>1,875</u>	<u>3,824</u>	<u>–</u>	<u>5,699</u>
Total undiscounted financial liabilities	<u>32,955</u>	<u>3,333</u>	<u>–</u>	<u>36,288</u>	<u>37,992</u>	<u>3,824</u>	<u>–</u>	<u>41,816</u>
Total net undiscounted financial assets/ (liabilities)	<u>15,315</u>	<u>(3,075)</u>	<u>–</u>	<u>12,240</u>	<u>15,136</u>	<u>(3,581)</u>	<u>–</u>	<u>11,555</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

	2025				2024			
	1 year or less \$'000	1-5 years \$'000	> 5 years \$'000	Total \$'000	1 year or less \$'000	1-5 years \$'000	> 5 years \$'000	Total \$'000
Company								
Financial assets:								
Trade receivables	14,170	-	-	14,170	13,586	-	-	13,586
Other receivables and deposits (excluding prepayments and tax recoverable)	332	-	-	332	370	-	-	370
Amounts due from subsidiaries	2,478	-	-	2,478	6,765	-	-	6,765
Cash and bank balances	1,970	-	-	1,970	2,649	-	-	2,649
Fixed deposits	-	-	-	-	3,708	-	-	3,708
Total undiscounted financial assets	<u>18,950</u>	<u>-</u>	<u>-</u>	<u>18,950</u>	<u>27,078</u>	<u>-</u>	<u>-</u>	<u>27,078</u>
Financial liabilities:								
Trade payables	6,226	-	-	6,226	6,294	-	-	6,294
Other payables and accruals	581	-	-	581	2,900	-	-	2,900
Amounts due to subsidiaries	1,503	-	-	1,503	80	-	-	80
Borrowings	3,000	-	-	3,000	7,853	-	-	7,853
Lease liabilities	<u>1,446</u>	<u>2,147</u>	<u>-</u>	<u>3,593</u>	<u>1,379</u>	<u>3,308</u>	<u>-</u>	<u>4,687</u>
Total undiscounted financial liabilities	<u>12,756</u>	<u>2,147</u>	<u>-</u>	<u>14,903</u>	<u>18,506</u>	<u>3,308</u>	<u>-</u>	<u>21,814</u>
Total net undiscounted financial assets/ (liabilities)	<u>6,194</u>	<u>(2,147)</u>	<u>-</u>	<u>4,047</u>	<u>8,572</u>	<u>(3,308)</u>	<u>-</u>	<u>5,264</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

The table below shows the contractual expiry by maturity of the Company's contingent liabilities.

	2025			2024				
	1 year or less \$'000	1-5 years \$'000	> 5 years \$'000	Total \$'000	1 year or less \$'000	1-5 years \$'000	> 5 years \$'000	Total \$'000
Company								
Financial guarantees in relation to contracts	<u>1,975</u>	<u>1,956</u>	<u>-</u>	<u>3,931</u>	<u>640</u>	<u>2,168</u>	<u>-</u>	<u>2,808</u>

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents and derivatives), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 180 days when they fall due, which are derived based on the Group's historical information.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating;
- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the customer;
- Significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customer in the Group and changes in the operating results of the customer.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 365 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments and in significant financial difficulties. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

Trade receivables and contract assets

The Group provides for lifetime expected credit losses for all trade receivables and contract assets using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on geographical region. The loss allowance provision as at 31 December 2025 and 2024 is determined as follows, the expected credit losses below also incorporate forward-looking information such as forecast of economic conditions and expected inflation rates.

Summarised below is the information about the credit risk exposure on the Group's trade receivables and contract assets using provision matrix, grouped by geography:

(i) Singapore

	Contract Assets		Trade receivables Days past due		Total \$'000
	Current \$'000	Current \$'000	Less than 90 days \$'000	More than 90 days \$'000	
31 December 2025					
Gross carrying amount	7,915	9,248	3,028	2,001	22,192
Loss allowance provision	25	8	2	96	131
31 December 2024					
Gross carrying amount	7,755	7,071	3,006	3,695	21,527
Loss allowance provision	25	17	2	169	213

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

(ii) Other geographical area

	Contract Assets		Trade receivables Days past due		Total \$'000
	Current \$'000	Current \$'000	Less than 90 days \$'000	More than 90 days \$'000	
31 December 2025					
Gross carrying amount	14,599	13,819	3,997	7,356	39,771
Loss allowance provision	<u>3,649</u>	<u>–</u>	<u>4</u>	<u>2,447</u>	<u>6,100</u>
31 December 2024					
Gross carrying amount	12,991	15,792	6,610	4,444	39,837
Loss allowance provision	<u>2,852</u>	<u>–</u>	<u>4</u>	<u>2,448</u>	<u>5,304</u>

Information regarding loss allowance movement of trade receivables and contract assets are disclosed in Note 9 and Note 8 respectively.

During the year, the Group wrote-off \$14,000 (2024: \$68,000) of trade receivables as the Group does not expect to receive future cash flows and there are no recoveries from collection of cash flows previously written off.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's and the Company's trade receivables at the balance sheet date are as follows:

Customers' profile

By country

% of total trade receivables	Group		Company	
	2025	2024	2025	2024
≥ 25	Singapore and Malaysia	Singapore	Singapore	Singapore
>10 and <25	Indonesia	Indonesia and Malaysia	–	–
≤ 10	Philippines, Pakistan, Morocco and others	Philippines, Pakistan, Morocco and others	Pakistan and others	Pakistan and others

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Customers' profile (cont'd)

By industry

	Group				Company			
	2025		2024		2025		2024	
	\$'000	% of total	\$'000	% of total	\$'000	% of total	\$'000	% of total
Telecommunications	30,166	81	24,540	65	11,857	84	10,134	75
Government agencies	1,355	4	5,232	13	1,055	7	749	6
Media and broadcasting	282	1	291	1	282	1	132	1
Multi-industry conglomerates	396	1	1,412	4	–	–	–	–
Financial institutions	647	2	1,737	5	647	5	1,686	12
Hospitality	170	1	305	1	77	1	228	2
Others	3,876	10	4,461	11	252	2	657	4
	<u>36,892</u>	<u>100</u>	<u>37,978</u>	<u>100</u>	<u>14,170</u>	<u>100</u>	<u>13,586</u>	<u>100</u>

At the balance sheet date, 51% (2024: 36%) of the Group's trade receivables are due from 3 major customers in the Telecommunications industry.

34. Fair value of assets and liabilities

(a) *Fair value hierarchy*

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group and the Company does not hold financial assets nor liabilities carried at fair value or at valuation. Accordingly, the disclosure requirements of the fair value hierarchy (Level 1, 2 and 3) under SFRS(I) 9 Financial Instruments: Disclosures does not apply.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. Fair value of assets and liabilities (cont'd)

(b) *Assets and liabilities not measured at fair value, for which fair value is disclosed*

There are no assets and liabilities not measured at fair value at 31 December 2025 and 2024 but for which fair value is disclosed.

(c) *Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value*

Cash and cash equivalents (Note 27), trade receivables (Note 9), other receivables and deposits (Note 10), amount due from/(to) subsidiaries (Note 11), trade payables (Note 12), other payables and accruals (Note 13), short-term borrowings (Note 15) and lease liabilities (Note 16).

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values as they are short-term in nature, market interest rate instruments.

(d) *Fair value of financial instrument classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value*

There are no financial instruments that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value.

35. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 31 December 2024.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio less than 50%. The Group includes within net debt, only loans and borrowings, less cash and cash equivalents. Capital refers to equity attributable to the owners of the Company.

	Group	
	2025 \$'000	2024 \$'000
Borrowings (Note 15)	3,000	9,108
Less: Cash and cash equivalent (Note 27)	(10,172)	(14,289)
Net cash	(7,172)	(5,181)
Capital:		
Equity attributable to owners of the Company	38,728	41,910
Capital and net debt	31,556	36,729
Gearing ratio	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. Defined benefit obligation

Retirement plans

Nera (Thailand) Limited and P.T. Nera Indonesia have unfunded, non-contributory defined benefit retirement plans while Nera (Philippines), Inc. has funded, non-contributory defined benefit plans covering all their qualified employees. The provision for post-employment benefits is based on the calculation of an independent actuary, using the "Projected Unit Credit" method, and in pursuant to Republic Act 7641 in Philippines, Labor Law No. 13/2003 in Indonesia, and Legal Severance Pay Law in Thailand. The Group's latest actuarial valuation reports are dated 31 December 2025.

The retirement plan for Nera (Philippines), Inc. requires contributions to be made to separately administered funds. The funds are administered by a local bank. Subject to the specific instructions provided by the company in writing, the company directs the local bank to hold, invest, and reinvest the funds and keep the same invested, in its sole discretion, without distinction between principal and income in, but not limited to, certain investments in unit investment trust fund.

Long service awards

Nera (Thailand) Limited and P.T. Nera Indonesia have an award in the form of cash award during active employment for employees who have completed certain years of services.

The amount included in the consolidated balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows:

	Philippines plan		Thailand plan		Indonesia plan		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Present value of defined benefit obligation	22	21	82	88	387	554	491	663
Fair value of plan assets	(57)	(58)	-	-	-	-	(57)	(58)
Net (asset)/liability arising from defined benefit obligation	(35)	(37)	82	88	387	554	434	605

Changes in present value of the defined benefit obligation are as follows:

	Philippines plan		Thailand plan		Indonesia plan		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January	21	103	88	75	554	581	663	759
Interest cost	1	4	2	31	35	-	38	35
Current service cost	5	34	41	2	74	184	120	220
Past service cost due to curtailment	-	-	-	-	(133)	-	(133)	-
Remeasurement (gains)/losses:								
Actuarial changes arising from changes in financial assumptions	(1)	(9)	(3)	5	25	(88)	21	(92)
Actuarial changes due to experience adjustment	(1)	11	(48)	(28)	(105)	(56)	(154)	(73)
Recognition of actuarial loss	-	-	-	-	-	(3)	-	(3)
Effects of benefit changes	-	-	-	-	-	(88)	-	(88)
Benefit paid out	(1)	(120)	-	-	(23)	(16)	(24)	(136)
Exchange differences	(2)	(2)	2	3	(40)	40	(40)	41
At 31 December	22	21	82	88	387	554	491	663

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. Defined benefit obligation (cont'd)

Changes in fair value of plan assets are as follow:

	Philippines plan	
	2025 \$'000	2024 \$'000
At 1 January	58	177
Benefits paid	(1)	(120)
Interest income	4	10
<i>Remeasurement losses:</i>		
Return on plan assets	(1)	(5)
Exchange differences	(3)	(4)
At 31 December	<u>57</u>	<u>58</u>

The fair values of the plan assets by each class as at the end of the reporting period are as follows:

	2025 \$'000	2024 \$'000
Investments in unit investment trust fund ("UITF")		
– Philippines plan	<u>57</u>	<u>58</u>

Investments in UITF are ready-made investments that allow the pooling of funds that are managed by a local bank.

The plan asset's carrying amount approximates its fair value since these are marked-to-market.

The cost of defined benefit pension plans as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used in determining pension for the defined benefit plans are shown below:

	2025	2024
<i>Discount rates:</i>		
Philippines plan	6.18%	6.13%
Thailand plan	1.95%	2.59%
Indonesia plan	6.70%	7.10%
<i>Future salary increases:</i>		
Philippines plan	3.00%	3.00%
Thailand plan	4.00%	5.00%
Indonesia plan	<u>6.00%</u>	<u>6.00%</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. Defined benefit obligation (cont'd)

	2025 %	2024 %
<i>Mortality rate</i>		
Philippines plan	1994 US Group Annuity Mortality (GAM) Table, Male and Female	1994 US Group Annuity Mortality (GAM) Table, Male and Female
Thailand plan	105% of Thai Mortality Ordinary Table 2017	105% of Thai Mortality Ordinary Table 2017
Indonesia plan	Mortality Table of Indonesia 2019	Mortality Table of Indonesia 2019

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming if all other assumptions were held constant:

	Increase/ (decrease)	31 December 2025		
		Philippines plan \$'000	Thailand plan \$'000	Indonesia plan \$'000
Discount rates	(Actual + 1.00%)	–	(9)	(36)
	(Actual – 1.00%)	–	10	61
	(Actual + 0.50%)	(2)	–	–
	(Actual – 0.50%)	2	–	–
Future salary increases	(Actual + 1.00%)	4	9	58
	(Actual – 1.00%)	(3)	(8)	(35)
	Increase/ (decrease)	31 December 2024		
		Philippines plan \$'000	Thailand plan \$'000	Indonesia plan \$'000
Discount rates	(Actual + 1.00%)	–	–	(57)
	(Actual – 1.00%)	–	–	66
	(Actual + 0.50%)	(2)	(11)	–
	(Actual – 0.50%)	2	(1)	–
Future salary increases	(Actual + 1.00%)	4	4	45
	(Actual – 1.00%)	(3)	(13)	(56)

The Group has no specific matching strategies between the retirement plan assets and the defined benefit obligation under the retirement plans.

The average duration of the defined benefit obligation at the end of the reporting period is 15 years (2024: 17 years).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. Comparative figures

The effects of the reclassification on the consolidated statement profit or loss of the Group for the financial year ended 31 December 2024 are summarised below:

Group	As per previously stated \$'000	Adjustments \$'000	As restated \$'000
Cost of sales	(73,837)	(3,588)	(77,425)
Distribution and selling expenses	(14,656)	4,029	(10,627)
Administrative expenses	(12,372)	90	(12,282)
Other (expenses)/income	(1,160)	(531)	(1,691)

38. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Directors on 10 April 2026.

STATISTICS OF SHAREHOLDINGS

AS AT 27 MARCH 2026

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	7	0.28	95	0.00
100 – 1,000	116	4.56	102,251	0.03
1,001 – 10,000	1,263	49.68	7,706,966	2.13
10,001 – 1,000,000	1,140	44.85	77,267,274	21.35
1,000,001 AND ABOVE	16	0.63	276,820,414	76.49
TOTAL	2,542	100.00	361,897,000	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	DBS NOMINEES (PRIVATE) LIMITED	237,447,164	65.61
2	PHILLIP SECURITIES PTE LTD	9,794,900	2.71
3	OCBC SECURITIES PRIVATE LIMITED	4,417,700	1.22
4	RAFFLES NOMINEES (PTE.) LIMITED	3,678,500	1.02
5	KGI SECURITIES (SINGAPORE) PTE. LTD	3,271,200	0.90
6	POH KHENG MUI (FU QINGMEI)	3,152,600	0.87
7	CITIBANK NOMINEES SINGAPORE PTE LTD	2,567,000	0.71
8	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	2,125,600	0.59
9	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	1,917,300	0.53
10	TAN ENG YAM HOLDINGS PTE LTD	1,509,100	0.42
11	KHOO HANG CHOONG	1,229,500	0.34
12	TAN LENG OEI	1,213,550	0.34
13	TAN GEOK LENG	1,200,000	0.33
14	ANG JUI KHOON	1,143,300	0.32
15	FU MUI KIM WOO TOONG LI	1,120,000	0.31
16	ABN AMRO CLEARING BANK N.V.	1,033,000	0.29
17	CAI YAOHUI	1,000,000	0.28
18	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	1,000,000	0.28
19	UOB KAY HIAN PRIVATE LIMITED	944,700	0.26
20	MAYBANK SECURITIES PTE. LTD.	937,300	0.26
	TOTAL	280,702,414	77.59

STATISTICS OF SHAREHOLDINGS

AS AT 27 MARCH 2026

Name of Substantial Shareholders	Direct Interest	%	Deemed Interest	%
Ennoconn Solutions Singapore Pte. Ltd.	–	–	230,791,464	63.77%
Ennoconn Corporation	–	–	230,791,464	63.77%
Baoxin International Investments Ltd	–	–	230,791,464	63.77%
Hon Hai Precision Industry Co., Ltd.	–	–	230,791,464	63.77%

Notes:

- 230,791,464 shares held by Ennoconn Solutions Singapore Pte. Ltd. (“ESS”) are registered in the name of DBS Nominees (Private) Limited.
- Ennoconn Corporation (“**Ennoconn**”) holds 100% of ESS and is deemed to be interested in all the shares held by ESS in the Company.
- Baoxin International Investments Ltd (“**Baoxin**”) holds approximately 24.12% in Ennoconn and is deemed to be interested in the shares held via by Ennoconn.
- Hon Hai Precision Industry Co., Ltd. (“**Hon Hai**”) holds 100% shares in Baoxin and is deemed to be interested in the shares held by Baoxin.
- Hon Hai is a company listed at the Taiwan Stock Exchange Corporation and none of its shareholders are entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in the Company.

PUBLIC FLOAT

Based on the information available to the Company as at 27 March 2026, approximately 36.23% of the total number of issued shares of the Company is held in the hands of the public, and therefore, Rule 723 of the Listing Manual of the Singapore Exchange Securities Limited is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Company will be convened and held at 19 Tai Seng Avenue, #06-01, Singapore 534054 on **Tuesday, 28 April 2026 at 3.00 p.m.** for the purpose of transacting the following business:-

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2025 together with the Directors' Statement and the Independent Auditor's Report thereon.
(Resolution 1)
2. To re-elect Mr Basil Chan retiring pursuant to Regulation 94 of the Company's Constitution.
(Resolution 2)
[See Explanatory Note (i)]
3. To re-elect Mr Eric Yu, Ling-Hsiao retiring pursuant to Regulation 94 of the Company's Constitution.
(Resolution 3)
[See Explanatory Note (ii)]
4. To re-elect Mr Andy Wang, Yung-Hsiang retiring pursuant to Regulation 100 of the Company's Constitution.
(Resolution 4)
[See Explanatory Note (iii)]
5. To approve the payment of Directors' fees of up to S\$230,000 for the financial year ending 31 December 2026, to be paid quarterly in arrears. (FY2025: S\$291,400)
(Resolution 5)
[See Explanatory Note (iv)]
6. To re-appoint Messrs Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.
(Resolution 6)

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modifications:-

7. **Authority to issue Shares**

"That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Rules of the Singapore Exchange Securities Trading Limited, the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

NOTICE OF ANNUAL GENERAL MEETING

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and shares (if any) held by a subsidiary) of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and shares (if any) held by a subsidiary) of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares shall be based on the total number of issued shares (excluding treasury shares and shares (if any) held by a subsidiary) of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of any convertible securities;
 - (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

(Resolution 7)

[See Explanatory Note (v)]

8. The Proposed Renewal of the General Mandate for Interested Person Transactions

"That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Listing Manual"), for the Company, its subsidiaries and associated companies that are considered to be "entities at risk" under Chapter 9 of the Listing Manual, or any of them, to enter into any of the Mandated Transactions (as defined in the circular to shareholders of the Company dated 13 April 2026 ("Circular") with

NOTICE OF ANNUAL GENERAL MEETING

the Mandated Interested Persons (as defined in the Circular), provided that such transactions are carried out on normal commercial terms, will not be prejudicial to the interests of the Company and its minority shareholders and in accordance with the guidelines and review procedures for such interested person transactions (“IPT General Mandate”);

- (b) the IPT General Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier;
- (c) the Audit and Risk Management Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendments to Chapter 9 of the Listing Manual which may be prescribed by the SGX-ST from time to time; and
- (d) the Directors of the Company and each of them be and are hereby severally authorised to complete and do all such acts and things (including, without limitation, executing all such documents as may be required and to make such amendments thereto) as they or he may consider necessary, desirable or expedient or in the interests of the Company to give effect to the transactions contemplated and/or authorised by the IPT General Mandate and/or this resolution.”
(Resolution 8)

[See Explanatory Note (vi)]

9. To transact any other business which may be properly transacted at the Annual General Meeting.

BY ORDER OF THE BOARD

Gn Jong Yuh Gwendolyn
Company Secretary

Singapore,
13 April 2026

Explanatory Notes:

- (i) Ordinary Resolution 2 is to re-elect Mr Basil Chan (“**Mr Chan**”) who will be retiring by rotation under Regulation 94 of the Company’s Constitution and if he is re-elected, he will remain as the Lead Independent Director of the Company, the Chairman of the Audit and Risk Management Committee, Chairman of the Remuneration Committee and a member of the Nominating Committee. Mr Chan is considered an Independent Director for the purpose of Provision 2.1 of Principle 2 of the Code of Corporate Governance 2018. Key information on Mr Chan is found under the section “**Additional Information on Directors seeking Re-Election**” of the Annual Report.
- (ii) Ordinary Resolution 3 is to re-elect Mr Eric Yu, Ling-Hsiao (“**Mr Yu**”) who will be retiring by rotation under Regulation 94 of the Company’s Constitution and if he is re-elected, he will remain as Senior Vice President, Business Development and a member of the Nominating Committee. Mr Yu is considered an Executive Director. Key information on Mr Yu is found under the section “**Additional Information on Directors seeking Re-Election**” of the Annual Report.
- (iii) Ordinary Resolution 4 is to re-elect Mr Andy Wang, Yung-Hsiang (“**Mr Wang**”) who will be retiring by rotation under Regulation 100 of the Company’s Constitution and if he is re-elected, he will remain as a member of the Audit and Risk Management Committee. Mr Wang is considered a Non-Independent and Non-Executive Director. Key information on Mr Wang is found under the section “**Additional Information on Directors seeking Re-Election**” of the Annual Report.
- (iv) Ordinary Resolution 5 is to seek approval for the payment of Directors’ fees of up to S\$230,000 for the financial year ending 31 December 2026 to be paid quarterly in arrears.

NOTICE OF ANNUAL GENERAL MEETING

- (v) The Ordinary Resolution 7, if passed, will empower the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate fifty per cent (50%) of the total number of issued shares excluding treasury shares of the Company of which the total number of shares and convertible securities issued other than on a pro rata basis to existing shareholders shall not exceed twenty per cent (20%) of the total number of issued shares excluding treasury shares at the time this Ordinary Resolution is passed. The total number of issued shares excluding treasury shares of the Company shall be the total number of issued shares excluding treasury shares at the time this Ordinary Resolution is passed (after adjusting for new shares arising from the conversion of convertible securities or share options on issue at the time this resolution is passed and any subsequent bonus issues consolidation or subdivision of the Company's shares). This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.
- (vi) The Ordinary Resolution 8, if passed, will empower the Directors of the Company to do all acts necessary to give effect to the IPT General Mandate in accordance with the terms set out in the Circular. The authority shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the date that the next annual general meeting of the Company is held or required by law to be held. Please refer to the Circular for more information relating to the proposed renewal of the IPT General Mandate.

Notes:

- (a) The members of the Company are invited to **attend physically** at the Annual General Meeting ("AGM"). There will be no option for members to participate virtually. Printed copies of this Notice and the accompanying proxy form will be sent to members. In addition, this Notice and the accompanying proxy form will also be made available on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> and the Company's Investor Relations ("IR") website at the URL: <https://www.nera.net/investors/announcements-and-financial-results/>.
- (b) Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process.

Voting by proxy

- (a) A member who is unable to attend the AGM may appoint not more than two (2) proxies to attend, speak and vote at the general meeting of the Company. A proxy need not be a member of the Company.
- (b) Where such member appoints two (2) proxies, the proportion of his/her shareholding concerned to be represented by each proxy shall be specified in the proxy form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
- (c) A member who is a Relevant Intermediary* may appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

*Relevant Intermediary is:

- (i) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who hold shares in that capacity;
- (ii) a person holding a capital markets services license to provide custodial services under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- (iii) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under the Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.
- (d) A corporation which is a member may appoint an authorised representative or representatives in accordance with Section 179 of the Companies Act 1967 of Singapore to attend and vote for and on behalf of such corporation.
- (e) A member can appoint the Chairperson of the Meeting as his/her/its proxy, but this is not mandatory.
- (f) Where a member (whether individual or corporate) appoints the Chairperson of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstention from voting, in respect of a Resolution in the form of proxy, if no specific instruction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the proxy(ies) will vote or abstain from voting at his/her/their discretion.
- (g) Investors who hold shares through relevant intermediaries, including Central Provident Fund Investment Schemes ("CPFIS Investors") and/or Supplementary Retirement Scheme ("SRS Investors") should approach their respective CPF Agent Banks or SRS Operators and submit their votes by 5.00 p.m. on Thursday, 16 April 2026, being seven (7) working days prior to the date of AGM.
- (h) The Chairperson of the AGM, as proxy, need not be a member of the Company.
- (i) The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or signed on its behalf by an officer or attorney duly authorised in writing.
- (j) Where an instrument appointing a proxy is signed on behalf of the appointor by the attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

NOTICE OF ANNUAL GENERAL MEETING

- (k) The instrument appointing the proxy(ies) must be submitted to the Company in the following manner:
- (i) if submitted by post, be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or
 - (ii) if submitted electronically, be submitted via email to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at srs.proxy@boardroomlimited.com,

in either case, by 3.00 p.m. on Saturday, 25 April 2026, being no later than 72 hours before the time fixed for the AGM, and in default the instrument of proxy shall not be treated as valid.

- (l) A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
- (m) Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse the admission of any person or persons appointed under the instrument of proxy, to the AGM.
- (n) The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such member(s) are not shown to have shares entered against his/her/their name(s) in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Submission of questions in advance of the AGM

- (o) Members who wish to submit questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM must be submitted in the following manner no later than 3.00 p.m. on Tuesday, 21 April 2026:
- (i) by email to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd at srs.teamc@boardroomlimited.com; or
 - (ii) by post to the registered office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632.
- (p) When sending in questions by email or post, members are required to provide the Company with the following details to enable the Company to verify the shareholders' status:
- their full name;
 - their address; and
 - the manner in which they hold shares in the Company (e.g. via CDP, CPF or SRS).
- (q) The Company will endeavour to address all substantial and relevant questions submitted prior to the AGM by publishing the responses to such questions on the Company's corporate website and on SGXNet before 3.00 p.m. on Thursday, 23 April 2026.
- (r) The Annual Report 2025 may be accessed at the Company's IR website at the URL <https://www.nera.net/investors/publications/> and it is also made available on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

Personal Data Privacy

By submitting a Proxy Form appointing a proxy(ies) (including the Chairman of the Meeting) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Shareholder (i) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxy(ies) and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the Shareholder discloses the personal data of the proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Basil Chan, Mr Eric Yu, Ling-Hsiao and Mr Andy Wang, Yung-Hsiang will be seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 28 April 2026 (“AGM”) (the “Retiring Directors”).

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	MR BASIL CHAN	MR ERIC YU, LING-HSIAO	MR ANDY WANG, YUNG-HSIANG
Date of Appointment	18/03/2020	28/10/2024	01/07/2025
Date of last re-appointment	29/04/2025	29/04/2025	Not applicable
Age	75	53	56
Country of principal residence	Singapore	Taiwan, Province of China	Taiwan, Province of China
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	<p>The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr Basil Chan (“Mr Chan”) for re-appointment as Lead Independent Non-Executive Director of the Company. The Board has reviewed and concluded that he possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p> <p>The Board of Directors considers Mr Chan to be independent for the purposes of Rule 704(8) of the Listing Rules.</p>	<p>The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr Eric Yu, Ling-Hsiao for re-appointment as an Executive Director of the Company. The Board has reviewed and concluded that he possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>	<p>The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr Andy Wang, Yung-Hsiang for re-appointment as a Non-Independent Non-Executive Director of the Company. The Board has reviewed and concluded that he possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>
Whether appointment is executive, and if so, the area of responsibility	Non-Executive and Independent	Executive. Shaping and executing business development strategies aligned with market expansion plans. This includes confirming agreements with key partners, suppliers, and vendors, as well as defining research scopes to assess market dynamics and business environments. The position also entails evaluating growth opportunities through partnerships, mergers and acquisitions (M&A), and joint ventures (JV), while leveraging networks and relationships to unlock new opportunities.	Non-Executive
Job Title (e.g. Lead ID, AC Chairperson, AC Member etc.)	Lead Independent Non-Executive Director, Chairman of the Audit and Risk Management Committee and Remuneration Committee, and a member of the Nominating Committee	Senior Vice President, Business Development and Executive Director, Member of the Nominating Committee	Non-Independent Non-Executive Director and member of the Audit and Risk Management Committee of the Company

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR BASIL CHAN	MR ERIC YU, LING-HSIAO	MR ANDY WANG, YUNG-HSIANG
Professional qualifications	<p>Bachelor of Science (Economics) Honours degree majoring in Business Administration from the University of Wales Institute of Science & Technology, U.K.</p> <p>Fellow Member of the Institute of Chartered Accountants in England and Wales ("ICAEW")</p> <p>Fellow Member of the Institute of Singapore Chartered Accountants ("ISCA")</p> <p>Fellow Member of the Singapore Institute of Directors</p>	<p>Civil Engineering Master of National Taiwan University</p> <p>Civil Engineering Bachelor of National Taiwan University</p>	<p>Master in Business Management of University of Management and Technology</p>
Working experience and occupation (s) during the past 10 years	<ol style="list-style-type: none"> 1. <u>MBE Corporate Advisory Pte Ltd</u> (2003 to present) Managing Director 2. <u>Grand Banks Yachts Limited</u> (2011 to 1 August 2024) Independent and Non-Executive Director (1 August 2024 to 24 October 2024) Independent and Non-Executive Chairman (24 October 2024 to present) Non-Independent and Non-Executive Chairman 3. <u>Broadway Industrial Group Limited</u> (2019 to present) Independent and Non-Executive Director (2021 to present) Lead Independent and Non-Executive Director 4. <u>Nera Telecommunications Ltd</u> (2020 to present) Independent and Non-Executive Director (7 August 2023 to 28 October 2024) Independent and Non-Executive Chairman (28 October 2024 to present) Lead Independent and Non-Executive Director 5. <u>Memories (2022) Pte Limited</u> (2023 to present) Non-Executive Director (1 August 2024 to present) Non-Executive Chairman 6. <u>QAF Limited</u> (16 July 2025 to present) Independent and Non-Executive Director 	<p><u>President and Board Director of Vecow Co., Ltd.</u></p> <p>(2010 – present) Founded Vecow in Oct, 2010.</p> <ul style="list-style-type: none"> - Business planning and go-to-market strategies, including market segmentation, product definition, sales planning, marketing activities, budgeting and financial fulfilment. - Company organisation establishment, including talent recruitment, development, review and management in divisions of administration, sales & marketing, product management, R&D, procurement, manufacturing, quality control, shipping and order fulfilment. - Marketing activities, including planning and fulfilment for worldwide exhibitions, advertisement and social media. - Worldwide sales strategies, including key accounts and distribution channels recruitment, development, review and management. - Financial planning in corporate investment, mergers and acquisitions (M&A). 	<p>2018 – present: Partner & CEO of PHI Capital Group Limited</p> <p>2015 – present: Executive Chairman of Chao Long Motor Parts Corp.</p> <p>2022 – present: Board Director of Taiwan Mergers & Acquisitions and Private Equity Council</p> <p>2020 – 2021 – serving as an Acting Director of Taiwan Mergers & Acquisitions and Private Equity Council</p> <p>2023 – present: Board Director of Taiwan Telematics Industry Association</p> <p>2021 – present: Advisor to the Automotive Electronics Committee, Taiwan Electrical and Electronics Industry Association</p> <p>2005 – 2015: Asia Head & Managing Director of Delphi Automotive</p> <p>1998 – 2004: CEO of SpeedTech</p>

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR BASIL CHAN	MR ERIC YU, LING-HSIAO	MR ANDY WANG, YUNG-HSIANG
Shareholding Interest in the listed issuer and its subsidiaries	No	67,000 shares in the Company as at 27 March 2026	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	Yes. An executive within the Ennoconn Group, the controlling and substantial shareholder of the Company	Yes. Fund investment vehicles under Mr Wang's control have invested in certain financial instruments of Ennoconn Corporation, the controlling and substantial shareholder of the Company, on the public market. The subsidiaries of Ennoconn Corporation have also invested in another fund investment vehicle under Mr Wang's control.
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* Including Directorships# Past (for the last 5 years)	<ol style="list-style-type: none"> Independent and Non-Executive Director, AEM Holdings Ltd (2006 – 2022) Independent and Non-Executive Director Global Invacom Group Limited (2012 – 2020) Independent and Non-Executive Director Memories Group Limited (2017 – 2023) 	<ol style="list-style-type: none"> President and Board Director of Vecow Co., Ltd. 	Nil
Present	<ol style="list-style-type: none"> MBE Corporate Advisory Pte Ltd – Managing Director Grand Banks Yachts Limited – Non-Independent and Non-Executive Chairman Broadway Industrial Group Limited – Lead Independent and Non-Executive Director Nera Telecommunications Ltd – Lead Independent and Non-Executive Director Memories (2022) Pte Limited – Non-Executive Chairman QAF Limited – Independent and Non-Executive Director 	<ol style="list-style-type: none"> President and Board Director of Vecow Co., Ltd. Board Director of Array Networks Board Director of American Industrial Systems, Inc. (USA) Board Director of AIS (Cayman Islands) Board Director of Ennoconn Solutions Singapore Pte Ltd 	<ol style="list-style-type: none"> MEMTECH INTERNATIONAL PTE. LTD. IPEVO Inc. Phi Capital Group Limited Zoyi Management Consulting Co., Ltd. Fei Hong Capital Limited PHI II MANAGEMENT PTE LTD Chao Long Motor Parts Corp. Taiwan Mergers & Acquisitions and Private Equity Council Taiwan Telematics Industry Association

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR BASIL CHAN	MR ERIC YU, LING-HSIAO	MR ANDY WANG, YUNG-HSIANG
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
c) Whether there is any unsatisfied judgment against him?	No	No	No
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR BASIL CHAN	MR ERIC YU, LING-HSIAO	MR ANDY WANG, YUNG-HSIANG
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR BASIL CHAN	MR ERIC YU, LING-HSIAO	MR ANDY WANG, YUNG-HSIANG
<p>j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-</p> <p>i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p>	<p>Yes</p> <p>Stratech Systems Limited – Mr Chan was a non-executive independent director of Stratech Systems Limited and was not involved in the day-to-day operations of the company. In 2006, he was interviewed by the Commercial Affairs Department (“CAD”) as a member of the board. From his understanding at that time, the investigation pertained to an inadvertent misstatement in an announcement regarding the outcome of a legal case brought by a former director. As far as Mr Chan is aware, the matter has been closed and no charges were made against any director.</p> <p>AEM Holdings Limited – Mr Chan was a non-executive independent director of AEM Holdings Limited which announced in May 2007 that seven of its employees (including its Chief Executive Officer) were under investigation by the Corrupt Practices Investigation Bureau (“CPIB”) and Mr Chan assisted the CPIB in their investigation. Mr Chan was appointed to the Board on 8 March 2006 and these events occurred prior to his appointment. The then Chief Executive Officer was eventually charged and convicted for corruption.</p> <p>Lindeteves-Jacoberg Limited – Mr Chan was a non-executive independent director of Lindeteves-Jacoberg Limited and was not involved in the day-to-day operations of the company. In May 2007, after he stepped down from the board, he attended as a witness to assist CAD in investigating an insider trading transaction by another director. He was asked about the timeline when the board was informed of certain events. He was not involved in the insider trading allegations, as he held no shares in the company.</p>	<p>No</p>	<p>No</p>

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR BASIL CHAN	MR ERIC YU, LING-HSIAO	MR ANDY WANG, YUNG-HSIANG
<p>ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	<p>No</p> <p>No</p> <p>Yes Please refer to the response to (j) (i) above.</p>	<p>No</p> <p>No</p> <p>No</p>	<p>No</p> <p>No</p> <p>No</p>
<p>k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	No	No	No
<p>Any prior experience as a director of a listed company?</p> <p>If yes, please provide details of prior experience.</p> <p>If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.</p> <p>Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</p>	Not Applicable	Not Applicable	Not Applicable

NERA TELECOMMUNICATIONS LTD

(Incorporated in the Republic of Singapore)

COMPANY REGISTRATION NO.: 197802690R

IMPORTANT:

1. A Relevant Intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see Note 4 for the definition of "Relevant Intermediary").
2. For investors who have used their CPF or SRS monies to buy Nera Telecommunications Ltd's shares, the Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
3. This Proxy Form is not valid for use by CPFIS or SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPFIS or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their voting instructions by 5.00 p.m. on 16 April 2026.

PROXY FORM

I/We, _____ (Name) _____ (NRIC/Passport/Company Registration Number)
of _____ (Address)

being a *member/members of Nera Telecommunications Ltd (the "Company"), hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholdings to be represented by proxy	
		No. of Shares	%
Address:			

*and/or (delete as appropriate)

Name	NRIC/Passport Number	Proportion of Shareholdings to be represented by proxy	
		No. of Shares	%
Address:			

or failing him/her, the Chairman of the Meeting as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Annual General Meeting ("AGM") of the Company to be convened and held at 19 Tai Seng Avenue, #06-01, Singapore 534054 on Tuesday, 28 April 2026 at 3.00 p.m. and at any adjournment thereof.

*I/We direct *my/our proxy/proxies to vote for or against the Ordinary Resolutions, or abstain from voting on, the resolutions to be proposed at the AGM as indicated hereunder. **In absence of specific instructions as to voting, or abstentions from voting, in respect of a resolution, the proxy/proxies for that resolution will vote or abstain from voting at *his/their discretion.**

No.	Resolutions relating to:	For [#]	Against [#]	Abstained [#]
AS ORDINARY BUSINESS				
1.	To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2025 together with the Directors' Statement and the Independent Auditor's Report thereon.			
2.	To re-elect Mr Basil Chan as Director.			
3.	To re-elect Mr Eric Yu, Ling-Hsiao as Director.			
4.	To re-elect Mr Andy Wang, Yung-Hsiang as Director.			
5.	To approve the payment of Directors' fees of up to S\$230,000 for the financial year ending 31 December 2026, to be paid quarterly in arrears. (FY2025: S\$291,400)			
6.	To re-appoint Messrs Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
AS SPECIAL BUSINESS				
7.	To authorise Directors to allot and issue shares.			
8.	To Approve the Proposed Renewal of the General Mandate for Interested Person Transactions			

* Delete as appropriate.

[#] If you wish to exercise all your votes "For" or "Against" or "Abstain", please indicate so with a (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2026

Total number of shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s)/Common Seal

IMPORTANT. Please read notes overleaf.

NOTES:

1. A member who is unable to attend the AGM may appoint not more than two proxies to attend, speak and vote at the general meeting of the Company. A proxy need not be a member of the Company.
2. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of shares. If you only have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
3. Where a member appoints two (2) proxies, the proportion of his/her shareholding concerned to be represented by each proxy shall be specified in the proxy form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
4. A member who is a Relevant Intermediary* may appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

*Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who hold shares in that capacity;
 - (b) a person holding a capital markets services license to provide custodial services under the Securities and Futures Act 2001 and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under the Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.
5. A corporation which is a member may appoint an authorised representative or representatives in accordance with Section 179 of the Companies Act 1967 of Singapore to attend and vote for and on behalf of such corporation.
 6. A member can appoint the Chairperson of the Meeting as his/her/its proxy, but this is not mandatory.
 7. Where a member (whether individual or corporate) appoints the Chairperson of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstention from voting, in respect of a Resolution in the form of proxy, if no specific instruction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the proxy(ies) will vote or abstain from voting at his/her/their discretion.
 8. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or signed on its behalf by an officer or attorney duly authorised in writing.
 9. Where an instrument appointing a proxy is signed on behalf of the appointor by the attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
 10. The instrument appointing the appointing proxy/ies must be submitted to the Company in the following manner:
 - (a) if submitted by post, be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or
 - (b) if submitted electronically, be submitted via email to the Company's Share Registrar at srs.proxy@boardroomlimited.comin either case, by 3.00 p.m. on Saturday, 25 April 2026, being no later than 72 hours before the time fixed for the AGM, and in default the instrument of proxy shall not be treated as valid.
 11. A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
 12. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse the admission of any person or persons appointed under the instrument of proxy, to the AGM.
 13. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such member(s) are not shown to have shares entered against his/her/their name(s) in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 13 April 2026.

This page has been intentionally left blank

This page has been intentionally left blank

NERA

Innoconn Tech. Group

19 Tai Seng Avenue, #06-01
Singapore 534054
Tel: (65) 6233 2433
Fax: (65) 6233 2466
WWW.NERA.NET
CO. REG. NO: 197802690R

