NERA TELECOMMUNICATIONS LTD
Company Registration No. 197802690R
(Incorporated in the Republic of Singapore)
(the "**Company**")

MANDATORY UNCONDITIONAL CASH OFFER BY DBS BANK LTD., FOR AND ON BEHALF OF ENNOCONN CORPORATION, TO ACQUIRE ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF THE COMPANY OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED, DIRECTLY OR INDIRECTLY, BY THE OFFEROR AND THE PERSONS ACTING IN CONCERT WITH THE OFFEROR

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1. INTRODUCTION

The board of directors (the "**Board**") of the Company wishes to refer the shareholders of the Company (the "**Shareholders**") to the announcement dated 4 September 2024 (the "**Offer Announcement**") made by DBS Bank Ltd., for and on behalf of Ennoconn Corporation (the "**Offeror**"), in relation to the mandatory unconditional cash offer (the "**Offer**") to acquire all the issued and paid-up ordinary shares in the capital of the Company (the "**Shares**") other than those already owned, controlled or agreed to be acquired, directly or indirectly, by the Offeror and the persons acting in concert with the Offeror (the "**Offer Shares**"), in accordance with Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Code**").

A copy of the Offer Announcement is attached as the **Appendix** to this announcement and is also available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com. Shareholders are advised to refer to the full text of the Offer Announcement, in particular, for details of the Offer and information on the Offeror, the rationale for the Offer and the Offeror's intentions for the Company in respect of the listing status of the Company and compulsory acquisition rights in respect of Shares.

2. INDEPENDENT FINANCIAL ADVISER

The Board will, in connection with the Offer and in due course, appoint an independent financial adviser (the "**IFA**") to advise the Company's directors who are regarded as independent for the purposes of the Offer under the Code (the "**Independent Directors**").

3. OFFEREE CIRCULAR

A circular containing, amongst other things, the advice of the IFA and the recommendation of the Independent Directors on the Offer (the "**Offeree Circular**") will be sent to Shareholders within 14 days from the date of despatch of the offer document to be issued by, or for and on behalf of, the Offeror ("**Offer Document**"). The Offer Document will set out the full terms and conditions of the Offer and enclose the relevant form(s) of acceptance.

In the meantime, Shareholders are advised to exercise caution when dealing with their Shares and refrain from taking any action in relation to their Shares which may be prejudicial to their interests, until Shareholders have considered the information and the recommendation of the Independent Directors, as well as the advice of the IFA, set out in the Offeree Circular to be issued by the Company in due course. Shareholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

4. RESPONSIBILITY STATEMENT

The Company's directors (including any who may have delegated detailed supervision of the preparation of this announcement) have taken all reasonable care and made all reasonable inquiries to ensure that the facts stated in this announcement are fair and accurate, and, to the best of their knowledge, all opinions expressed in this announcement (other than those relating to the Offeror and the Offer) have been arrived at after due and careful consideration and are fair and accurate, and no material facts have been omitted from this announcement, the omission of which would make any statement in this announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Announcement and any other announcements made by, or for and on behalf of, the Offeror), the sole responsibility of the Company's directors has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, reproduced in this announcement.

The Company's directors jointly and severally accept full responsibility accordingly.

BY ORDER OF THE BOARD

GN JONG YUH GWENDOLYN
COMPANY SECRETARY

5 SEPTEMBER 2024

APPENDIX
Offer Announcement

Please see attached.

MANDATORY UNCONDITIONAL CASH OFFER

by

DBS BANK LTD.
(Company Registration No.: 196800306E)
(Incorporated in Singapore)

for and on behalf of

ENNOCONN CORPORATION
(Company Registration No.: 70380046)
(Incorporated in Taiwan)

to acquire all the issued and paid-up ordinary shares in the share capital of

NERA TELECOMMUNICATIONS LTD
(Company Registration No.: 197802690R)
(Incorporated in Singapore)

other than those already owned, controlled or agreed to be acquired, directly or indirectly, by the Offeror and persons acting in concert with the Offeror

OFFER ANNOUNCEMENT

1. INTRODUCTION

DBS Bank Ltd. ("**DBS**") wishes to announce, for and on behalf of Ennoconn Corporation (the "**Offeror**"), that the Offeror has today entered into a share purchase agreement with Asia Systems Ltd. in relation to the sale and purchase of an aggregate of 193,173,439 issued and paid-up ordinary shares in the capital of Nera Telecommunications Ltd (the "**Company**") held by Asia Systems Ltd., representing approximately 53.38% of the total number of the issued and paid-up ordinary shares in the capital of the Company (the "**Shares**"), at a price of S$0.075 per Share (the "**Acquisition**"). On completion of the Acquisition, it is intended that the Shares acquired pursuant to the Acquisition shall be held by Ennoconn Solutions Singapore Pte. Ltd. ("**ESS**"), a wholly-owned subsidiary of the Offeror. In accordance with Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Code**"), the Offeror will make a mandatory unconditional cash offer (the "**Offer**") for all the remaining Shares in the capital of the Company, other than those Shares owned, controlled or agreed to be acquired, directly or indirectly, by the Offeror and persons acting in concert with the Offeror (the "**Offer Shares**"). It is currently expected that the Offer will be completed before the end of October.

2. THE OFFER

2.1 Offer Terms

In accordance with Rule 14 of the Code and subject to the terms and conditions set out in the formal offer document to be issued by DBS, for and on behalf of the Offeror (the "**Offer Document**"), the Offeror will make the Offer for the Offer Shares on the following basis:

For each Offer Share: S$0.075 in cash (the "Offer Price")

The Offeror does not intend to revise the Offer Price, save that the Offeror reserves the right to do so in a competitive situation.

The Offer Shares will be acquired (a) fully paid-up; (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever; and (c) together with all rights, benefits and entitlements attached thereto as at the date of this Announcement and hereafter attaching thereto (including the right to receive and retain all dividends, rights, other distributions and return of capital, if any, which may be announced, declared, paid or made thereon by the Company on or after the date of this Announcement). **In the event that any dividends, rights, other distributions or return of capital is declared, made or paid on or after the date of this Announcement, the Offeror reserves the right to reduce the Offer Price by the amount of such dividends, rights, distributions or return of capital.**

2.2 Unconditional Offer

The Offer is unconditional in all respects.

2.3 Offer Shares

The Offeror has nominated ESS to hold the Offer Shares.

3. NO OUTSTANDING AWARDS

As at the date of this Announcement and based on the latest information available to the Offeror, there are no outstanding awards granted under the Nera Telecommunications Performance Share Plan 2014.

4. INFORMATION ON THE OFFEROR

The Offeror is a company incorporated under the laws of Taiwan on 12 July 1999 and its stocks were listed at the Taiwan Stock Exchange Corporation on 28 March 2014. The main businesses of the Offeror and its subsidiaries are manufacturing and sale of data storage, processing equipment and industrial motherboards. As at the date of this Announcement: (a) the Offeror has an issued and paid-in capital of approximately NT$1,370,270,480, comprising 137,027,048 ordinary shares; and (b) the directors of the Offeror (the "**Directors**") are Mr. Fu-Chuan Chu,

Ms. Mei-Hui Hung, Mr. Chuang-Wang Chang, Ms. Yu-Hui Su, Ms. Hsin-I Chan, Ms. Miao-Shun Wen, Mr. Huang-Hsu Tu.

5. INFORMATION ON THE COMPANY

5.1 Based on publicly available information, the Company was incorporated under the laws of Singapore on 19 October 1978 and was listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 1 July 1999.

5.2 As at the date of this Announcement and based on publicly available information:

(a) the Company has an issued and paid-up share capital of S$29,909,152 comprising 361,897,000 Shares. The Company does not have any treasury shares; and

(b) the directors of the Company are:

(i) Mr. Basil Chan (Chairman and Independent Director);

(ii) Mr. Chong Hoi Ming (Chief Executive Officer and Executive Director);

(iii) Ms. Kay Pang Ker-Wei (Independent Director);

(iv) Mr. Tommy Teo Zhi Zhuang (Non-Executive Director); and

(v) Mr. Wong Chee-Yann (Non-Executive Director).

6. RATIONALE FOR THE ACQUISITION AND THE OFFER; FUTURE INTENTIONS

6.1 Strategic Acquisition Enhances Integration and Expands Market Reach Across Asia-Pacific and Beyond

The Company operates across a network spanning 16 countries and regions, including Asia-Pacific, Europe, the Middle East, and Africa and excels in key areas such as network infrastructure, Internet of Things (IoT), information security, cloud and data center solutions, and enterprise service management. Its diverse client base includes businesses in telecommunications, utilities, healthcare, education, transportation, logistics, financial services, and government organisations.

As the Offeror is enhancing its strategy for its ESaaS (Ennoconn Solution as a Service) platform, the Acquisition can leverage the synergies between the Offeror and the Company, optimising customer order acquisition and financial performance, and will also fortify the Offeror's presence in crucial markets, including Singapore, Vietnam, Thailand, and Malaysia. Strategic focus areas will include railway dedicated networks (RDN), IoT + 5G smart

manufacturing solutions, artificial intelligence technology applications, and environmental, social and governance (ESG) initiatives.

By aligning efforts in "products, applications, platforms and markets", the Offeror and the Company will strengthen core competencies and expand their market footprint. This will enhance customer engagement, broaden the customer base, and create a range of new business opportunities. The Offeror is confident in the potential of this acquisition and is dedicated to accelerating business integration and achieving new milestones together with the Company.

6.2 **Compliance With The Code**

The Offeror is making the Offer for all the Offer Shares in compliance with Rule 14 of the Code.

6.3 **Future Intentions For The Company**

Save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Company which may be implemented, there is presently no intention by the Offeror to:

(a) introduce any major changes to the business of the Company (including any redeployment of the fixed assets of the Company); and/or

(b) discontinue the employment of the employees of the Company and its subsidiaries (the "**Group**").

However, the Directors retain and reserve the right at any time to consider any options in relation to the Group which may present themselves and which it may regard to be in the interest of the Group.

7. FINANCIAL EVALUATION OF THE OFFER

The Offer Price represents the following discounts to the historical traded prices of the Shares:

Description	**Benchmark Price (S$)**[1]	**Premium / (Discount) over Benchmark Price (%)**[2]
Last transacted price per Share on 4 September 2024, being the last full trading day of the Company on the date of this Announcement (the "**Last Trading Day**")	0.080	(6.3)%
The volume weighted average price ("**VWAP**") of the Shares traded on the SGX-ST for the one (1)-	0.079	(5.1)%

Description	Benchmark Price (S$)[1]	Premium / (Discount) over Benchmark Price (%)[2]
month period prior to and including the Last Trading Day		
VWAP of the Shares traded on the SGX-ST for the three (3)-month period prior to and including the Last Trading Day	0.078	(3.8)%
VWAP of the Shares traded on the SGX-ST for the six (6)-month period prior to and including the Last Trading Day	0.080	(6.3)%
VWAP of the Shares traded on the SGX-ST for the 12-month period prior to and including the Last Trading Day	0.079	(5.1)%

Notes:

(1) Based on the data extracted from Bloomberg Finance LP. The VWAPs of the Shares are calculated by using the total value over the total volume of Shares traded in the relevant period prior to and including the Last Trading Day, and are rounded to the nearest three (3) decimal places.

(2) Rounded to the nearest one (1) decimal place.

8. LISTING STATUS AND COMPULSORY ACQUISITION

8.1 Listing Status

Under Rule 723 of the listing manual of the SGX-ST (the "**Listing Manual**"), the Company must ensure that at least 10% of the total number of Shares (excluding any Shares held in treasury) is at all times held in public hands (the "**Free Float Requirement**"). Pursuant to Rule 1105 of the Listing Manual, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and parties acting in concert with the Offeror to above 90% of the total number of issued Shares (excluding any Shares held in treasury), the SGX-ST may suspend the trading of the Shares in the Ready and Unit Share markets until it is satisfied that at least 10% of the total number of issued Shares (excluding any Shares held in treasury) are held by at least 500 shareholders of the Company ("**Shareholders**") who are members of the public. Rule 1303(1) of the Listing Manual provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding any Shares held in treasury), thus causing the percentage of the total number of issued Shares (excluding any Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

Under Rule 724(1) of the Listing Manual, if the Free Float Requirement is not satisfied, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of the Shares held in public hands to at least 10%, failing which the Company may be removed from the Official List of the SGX-ST.

8.2 **Compulsory Acquisition**

Pursuant to Section 215(1) of the Companies Act 1967 of Singapore (the "**Companies Act**"), in the event that the Offeror acquires not less than 90% of the total number of issued Shares (other than those already held, or treated as held, by the Offeror as at the date of the Offer and excluding any Shares held in treasury), the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer at a price equal to the Offer Price.

In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with the Shares held in treasury and Shares held, or treated as held, by it, comprise 90% or more of the total number of Shares, the Shareholders who have not accepted the Offer will have a right to require the Offeror to acquire their Shares at the Offer Price. Such Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

8.3 **Offeror's intentions**

It is the current intention of the Offeror to maintain the listing status of the Company on the SGX-ST following the Offer and the Offeror does not intend to exercise any rights of compulsory acquisition that may arise under Section 215(1) of the Companies Act. However, in the event that the Company does not meet the Free Float Requirement under the Listing Manual at the close of the Offer, the Offeror reserves the right to re-evaluate its position, including its right of compulsory acquisition (if applicable) under Section 215(1) of the Companies Act, depending on, *inter* alia, the ultimate level of acceptances received by the Offeror and the prevailing market conditions at the relevant time.

9. CONFIRMATION OF FINANCIAL RESOURCES

DBS, as sole financial adviser to the Offeror for the Acquisition and the Offer, confirms that sufficient financial resources are available to satisfy full acceptance of the Offer by the holders of the Offer Shares on the basis of the Offer Price.

10. OFFER DOCUMENT

The Offer Document setting out the full terms and conditions of the Offer and enclosing the relevant form(s) of acceptance will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the date of this Announcement.

In the meantime, Shareholders are advised to exercise caution and seek appropriate independent professional advice when dealing in their Shares, pending receipt of the Offer Document.

11. DISCLOSURE OF INTERESTS IN COMPANY SECURITIES

11.1 Immediately prior to the making of this Announcement and other than the Shares to be acquired pursuant to the Acquisition, none of the following persons:

(a) the Offeror;

(b) the directors of the Offeror; and

(c) DBS,

(collectively, the "**Relevant Persons**") owns, controls or has agreed to acquire any (i) Shares; (ii) securities which carry voting rights in the Company; or (iii) convertible securities, warrants, options or derivatives in respect of such Shares or securities which are being offered for or which carry voting rights in the Company (collectively, the "**Relevant Securities**").

11.2 As at the date of this Announcement and based on the latest information available to the Offeror, none of the Relevant Persons:

(a) has received any irrevocable commitment from any person to accept the Offer;

(b) has entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to shares of the Offeror or the Shares of the Company which might be material to the Offer; and

(c) has, in respect of any Relevant Securities:

(i) granted a security interest over any Relevant Securities to another person, whether through a charge, pledge or otherwise;

(ii) borrowed from another person any Relevant Securities (excluding borrowed securities which have been on-lent or sold); or

(iii) lent to another person any Relevant Securities.

11.3 In the interest of confidentiality, the Offeror has not made enquiries in respect of certain other persons who are or may be deemed to be acting in concert with it in connection with the Offer. Further enquiries will be made of such persons by the Offeror and the relevant disclosures, if any, will be made in the Offer Document.

12. OVERSEAS PERSONS

This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable law. The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. **For the avoidance of doubt, the Offer shall be open to all Shareholders, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent.**

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the law of that jurisdiction (a "**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction, and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

The ability of the Shareholders who are not resident in Singapore to accept the Offer may be affected by the laws of the relevant jurisdictions in which they are located. Persons who are not resident in Singapore should inform themselves of, and observe, any applicable requirements.

The Offeror and DBS each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders who are not resident in Singapore by announcement to the SGX-ST or notice and if necessary, by paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement, notice or advertisement.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions

expressed in this Announcement (other than those relating to the Company) are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

The Directors jointly and severally accept responsibility accordingly.

Issued by
DBS BANK LTD.

For and on behalf of
ENNOCONN CORPORATION

4 September 2024

Any inquiries relating to this Announcement or the Offer should be directed during office hours to:

DBS BANK LTD.

Tel: +65 6878 3913

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "shall", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor DBS undertakes any obligation to update publicly or revise any forward-looking statements.

About Ennoconn Corporation

Ennoconn Corporation (Taiwan Stock Exchange Corporation / Stock Code 6414) is a solutions provider in diversified industrial application markets. With its comprehensive expertise, Ennoconn Corporation provides advanced technology with the highest quality and efficiency, assisting clients in maintaining a leading edge in market competition.

Ennoconn Corporation's management team has consistently adhered to the core values of industrial computers (IPC). Since 2011, we have implemented five-year periodical operation plans, targeting short, medium, and long-term strategies. Our goal is to become the largest industrial solutions provider. During the period of 2011 to 2015, Ennoconn Corporation actively expanded its IPC technology and product portfolios, enhancing its global presence with design and manufacturing in the United States, Europe, and Asia-Pacific, leading to a sales growth rate exceeding 50% annually. From 2016 to 2020, Ennoconn Corporation continued to build on its core values, creating a leading operational model in the industrial eco-systems. Through horizontal and vertical integration of software and hardware, Ennoconn Corporation has strengthened its core technical capabilities, accelerated resource integration, and greatly grown in 2020 with a revenue exceeding NT$84 billion.

Looking ahead to the next five years (2021-2025), Ennoconn Corporation has high confidence about the substantial business opportunities presented by 5G, Artificial Intelligence of Things (AIoT), cloud platform, and ESaaS (Ennoconn Solution as a Service) integration services. These developments are expected to speed up a favourable environment for the growth of Ennoconn Corporation's industrial business. Ennoconn Corporation aims to lead in industry competitiveness with three major strategies: 1) Competitive Leadership, 2) Expanding Scale Advantages, and 3) Technology Upgrades and Application Market Focus, by leveraging its business model and global ecosystem accumulated over the years, combined with its leading advantages in three segments of integrated IPC hardware and software systems, from design and manufacturing to branding and system integration. Ennoconn expects to elevate its industry positioning, support customer order momentum, and enhance service efficiency in markets such as smart gaming, retail, electric vehicles, transportation, homes, buildings, cybersecurity, and semiconductors. Aiming to seize more opportunities for strategic cooperation with global clients, Ennoconn Corporation, along with its alliance partners, is committed to driving forward and leading the new era of technology.