

NEWS RELEASE

NeraTel Posts \$44.7 Million Revenue Amid Market Headwinds, Transformation Gains Pace with Backing from Ennoconn Corporation

- *NeraTel delivered \$44.7 million in revenue, underscoring its resilience in the face of ongoing macroeconomic challenges*
- *The Group achieved a \$2.2 million reduction in operating expenses, representing a 20% improvement, driven by cost management and operational streamlining*
- *A net loss of \$1.8 million was recorded for 1H2025, primarily due to adverse foreign exchange impact totalling \$1.4 million and \$0.7 million in strategic restructuring costs. These initiatives are part of a broader effort to strengthen the Group's foundation for long-term growth*
- *Balance sheet remains resilient with a cash position of \$10.2 million, positioning the company well for future investments and innovation*
- *Strategic transformation with Ennoconn Corporation continues to gain traction, unlocking long-term growth opportunities in high-demand areas*

SINGAPORE, 14 August 2025 – Mainboard-listed technology integrator **Nera Telecommunications Ltd** (“**NeraTel**”, 挪拉电讯, or the “**Group**”) announced today that it recorded a revenue of \$44.7 million and a net loss of \$1.8 million for the six months ended 30 June 2025 (“**1H2025**”). Order intake in 1H2025 was \$40.3 million, a decrease of 47.5% as compared to \$76.8 million in the previous corresponding period (“**1H2024**”).



Co. Reg. No.197802690R

19 Tai Seng Avenue, #06-01, Singapore 534054

Tel: (65) 6233 2433 | Fax: (65) 6233 2466

Website: www.nera.net

Mr Steve Chu (朱復銓), Chairman of NeraTel, said, "While market conditions remain volatile, NeraTel continues to demonstrate agility and resilience. Our strategic partnership with Ennoconn Corporation continues to build momentum, unlocking new opportunities in integrated technology solutions, and we are committed to driving transformation and innovation across our business segments."

FINANCIAL REVIEW

The Group delivered a resilient performance in 1H2025, achieving revenue of \$44.7 million, a decline of 5.5% compared to the previous year. This was primarily due to a recalibration in the Service Provider ("SP") segment, which saw a strategic shift in focus as part of ongoing efforts to diversify the Group's segment mix and enhance long-term growth potential. Encouragingly, both the Government, Transport and Utility ("GTU") and Enterprise ("ENT") segments posted growth, rising by 2.6% and 6.5% respectively, demonstrating the Group's ability to diversify and capture opportunities in adjacent markets.

Revenue from Network Infrastructure ("NI") remained stable at \$38.5 million, with stronger contributions from Indonesia, Malaysia, and the Philippines, offsetting softer performance in Singapore and Europe, the Middle East, and Africa (EMEA). Revenue for Wireless Infrastructure Network ("WIN") declined to \$6.2 million, reflecting ongoing strategic repositioning to better align with evolving customer needs.

Order intake for the period totalled \$40.3 million, down from \$76.8 million in 1H2024. The decline was primarily driven by timing differences in two major recurring maintenance contracts: a customer order exceeding \$17 million that was received last year, and an



Co. Reg. No.197802690R

19 Tai Seng Avenue, #06-01, Singapore 534054

Tel: (65) 6233 2433 | Fax: (65) 6233 2466

Website: www.nera.net

annual recurring order of over \$10 million that was previously recognised in full during 1Q2024, but is now being booked evenly across all quarters.

Gross profit for 1H2025 was \$9.3 million, with the Group maintaining a gross profit margin of 20.7%, demonstrating continued operational efficiency amid reduced operating expenditure.

A notable achievement was the 20% reduction in operating expenses, amounting to \$2.2 million in savings. This was driven by disciplined cost management across distribution, selling, and administrative functions, positioning the Group for leaner and more agile operations.

While the Group recorded a net loss of \$1.8 million, this was largely attributable to foreign exchange adjustments and transitional restructuring costs. Importantly, the cost base has been streamlined, and the Group is now better positioned to scale efficiently and respond swiftly to market dynamics.

NeraTel's balance sheet remains robust, with \$10.2 million in cash and cash equivalents and \$40.4 million in shareholders' equity as of 30 June 2025. This financial strength provides a solid foundation for continued investment in innovation and strategic growth initiatives.

OUTLOOK

The global economy remains volatile, with escalating geopolitical tensions, persistent inflation, and the growing risk of tariffs and trade wars contributing to higher operating costs. The Group remains vigilant to these macroeconomic challenges and is prepared to



Co. Reg. No.197802690R

19 Tai Seng Avenue, #06-01, Singapore 534054

Tel: (65) 6233 2433 | Fax: (65) 6233 2466

Website: www.nera.net

respond swiftly to shifting market conditions to safeguard operational resilience and continuity.

Following the successful completion of Ennoconn Corporation's unconditional cash offer for a 63.77% stake in the Group, NeraTel is now fully aligned with a forward-looking technology partner. This partnership expected to unlock new opportunities across Southeast Asia, where demand for smart, efficient, and integrated digital solutions continues to accelerate.

The Group is in the process of expanding its solutions portfolio in high-growth areas such as smart buildings, smart retailing, Artificial Intelligence of Things ("**AIoT**"), and managed services including Security Operations Centre ("**SOC**") and Network Operations Centre ("**NOC**").

A key strategic priority is the normalisation and harmonisation of expertise across its regional operations, ensuring consistent service excellence and operational standards across its footprint. This approach enhances scalability and enables the Group to deliver high-impact solutions tailored to local market needs.

In June 2025, NeraTel secured a \$30 million five-year period contract renewal with a leading Southeast Asian service provider. Covering over 100 sites, the agreement includes a managed services component covering digital enablement, infrastructure support and performance monitoring, to empower rural enterprises and drive inclusive economic growth.

With a leaner cost base, stronger strategic alignment, and a clear roadmap for innovation, NeraTel is well-placed to deliver sustainable value to customers and shareholders alike.



Co. Reg. No.197802690R

19 Tai Seng Avenue, #06-01, Singapore 534054

Tel: (65) 6233 2433 | Fax: (65) 6233 2466

Website: www.nera.net

About Nera Telecommunications Ltd

Nera Telecommunications Ltd ("NeraTel") is an established technology catalyst with a proven track record in delivering comprehensive, turnkey solutions and services that enhance digital transformation and operational efficiency.

Incorporated in 1978 and listed on the SGX Mainboard since 1999, NeraTel is headquartered in Singapore, with a diversified geographical presence across Asia Pacific (APAC), and Europe, the Middle East and Africa (EMEA).

A member of the Ennoconn Technology Group since its acquisition in October 2024 by majority shareholder, [Ennoconn Corporation](#), a Foxconn associate company specialising in intelligent IoT, AI, and embedded technology solutions, NeraTel is supported by a global team of highly certified professionals with expertise in both IT and OT offerings, to serve its strong customer base from a wide range of industries including education, financial services, government, green building, healthcare, logistics, media, service provider, transportation, utilities, and more.

For more information, please visit our website: <http://www.nera.net/>

Investor Relations Contact:

CDR

158 Cecil Street

#05-01

Singapore 069545

Tel: (65) 6534 5122

Chia Hui Kheng / Jaslin Tan / Darienne Sim

Neratel@cdrconsultancy.com