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

PROPOSED DISPOSAL OF INDONESIAN BUSINESS ASSETS BY A DIRECT SUBSIDIARY

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1. INTRODUCTION

1.1 The Board of Directors (the "**Board**") of Nera Telecommunications Ltd (the "**Company**") wishes to announce that its direct subsidiary, PT Nera Indonesia, has, on 8 September 2021, entered into a sale and purchase agreement to dispose of certain equipment and infrastructure, to assign receivables under certain operator agreements, and to novate such operator agreements and certain cooperation agreements (collectively, the "**Indonesian Assets**") to PT Dhost Telekomunikasi Nusantara (the "**Purchaser**") (the "**Proposed Disposal**").

1.2 As each of the relative figures computed on the relevant bases set out in Rule 1006 of the Listing Manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") is less than 5%, the Proposed Disposal is a "non-disclosable" transaction for the purposes of Chapter 10 of the Listing Manual of the SGX-ST.

2. CONSIDERATION

2.1 The aggregate consideration for the Proposed Disposal is IDR 16.3 billion (approximately S$1.5 million). The consideration was arrived on a willing-buyer, willing-seller basis, after arms' length negotiations taking into account the past profits attributable to the Indonesian Assets for the last two financial years and the Indonesian Assets not being part of the Company's core business, the Proposed Disposal will allow the Company to streamline and focus on its core business.

2.2 The consideration will be satisfied by the Purchaser in cash in two tranches and is payable as follows:

(i) the first payment (being of 80 per cent. of the consideration, or IDR 13.04 billion (approximately S$1.2 million)) will be paid by the Purchaser to the Company within fourteen (14) business days from the receipt by the Purchaser of the relevant invoice from the Company for the first payment; and

(ii) the second payment (being the remaining 20 per cent. of the consideration or the remaining amount of the adjusted consideration, as applicable) will be paid by the Purchaser to the Company on the date of completion.

3. FINANCIAL EFFECTS

3.1 Based on the latest unaudited consolidated financial statements of the Company for the period ended 30 June 2021, the book value attributable to the Indonesian Assets is IDR 585 Million

(approximately S$54,000) and the net tangible asset value attributable to the Indonesian Assets is IDR 153 Million (approximately S$14,000).

3.2 The Proposed Disposal is not expected to have any material impact on the net tangible assets of the Company for the financial year ending 31 December 2021.

4. DIRECTORS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company, if any) in the Proposed Disposal.

BY ORDER OF THE BOARD

Chan Wan Mei and Chan Lai Yin
Joint Company Secretaries

8 September 2021