

Company Registration No. 197802690R

**Nera Telecommunications Ltd  
and its Subsidiaries**

Condensed Interim Financial Statements (Unaudited)  
For the six months and full year ended 31 December 2023

## **Nera Telecommunications Ltd and its Subsidiaries**

### **Index**

	<b>Page</b>
<u>Condensed Interim Statements of Financial Position</u>	<u>2</u>
<u>Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income</u>	<u>3</u>
<u>Condensed Interim Statements of Changes in Equity</u>	<u>4</u>
<u>Condensed Interim Consolidated Statement of Cash Flows</u>	<u>6</u>
<u>Notes to the Condensed Interim Consolidated Financial Statements</u>	<u>7</u>
<u>Other Information Required by Listing Manual</u>	<u>23</u>

**Nera Telecommunications Ltd and its Subsidiaries**

**Condensed Interim Statements of Financial Position  
As at 31 December 2023**

		Group		Company	
	Note	31 Dec 2023 (unaudited) \$'000	31 Dec 2022 (audited) \$'000	31 Dec 2023 (unaudited) \$'000	31 Dec 2022 (audited) \$'000
<b>Non-current assets</b>					
Property, plant and equipment	5	4,777	5,197	1,741	1,003
Right-of-use assets		4,459	5,229	3,964	4,713
Intangible assets		568	734	548	683
Investments in subsidiaries		–	–	7,754	2,218
Long term trade and other receivables		199	312	–	–
Deferred tax assets		4,010	484	2,128	208
		14,013	11,956	16,135	8,825
<b>Current assets</b>					
Stocks	6	5,401	11,662	5,096	7,136
Contract assets		22,062	36,227	9,760	11,609
Trade receivables	8	42,979	48,884	12,408	7,990
Other receivables, deposits and prepayments		21,716	22,737	20,085	17,547
Amounts due from subsidiaries					
- trade		–	–	3,988	7,957
- non-trade		–	–	6,682	10,350
Fixed deposits		4,220	–	4,220	–
Cash and bank balances		16,402	18,200	7,909	6,337
		112,780	137,710	70,148	68,926
Assets held for sale		–	2,744	–	2,744
		112,780	140,454	70,148	71,670
<b>Current liabilities</b>					
Trade payables		28,292	39,112	10,527	7,537
Other payables and accruals		6,911	10,052	3,479	5,045
Contract liabilities		25,080	30,845	19,407	20,054
Amounts due to subsidiaries					
- trade		–	–	17	23
- non- trade		–	–	446	677
Short-term borrowings	10	11,997	21,000	11,997	21,000
Lease liabilities		1,547	539	1,129	169
Provision for taxation		1,056	572	–	106
Provision for warranty	9	491	479	417	304
		75,374	102,599	47,419	54,915
Liabilities directly associated with the assets held for sale		–	2,797	–	2,797
		75,374	105,396	47,419	57,712
<b>Net current assets</b>		37,406	35,058	22,729	13,958
<b>Non-current liabilities</b>					
Lease liabilities		4,404	5,399	4,267	5,211
Defined benefit obligation		582	550	–	–
		4,986	5,949	4,267	5,211
<b>Net assets</b>		46,433	41,065	34,597	17,572
<b>Equity attributable to equity holders of the Company</b>					
Share capital	11	29,909	29,909	29,909	29,909
Revenue reserve		17,240	11,717	4,688	(12,337)
Translation reserve		(1,459)	(1,044)	–	–
Other reserve		743	483	–	–
		46,433	41,065	34,597	17,572

Nera Telecommunications Ltd and its Subsidiaries

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the 12 months ended 31 December 2023

	Note	6 months ended 31 Dec 2023 (unaudited) \$'000	6 months ended 31 Dec 2022 (audited) \$'000	12 months ended 31 Dec 2023 (unaudited) \$'000	12 months ended 31 Dec 2022 (audited) \$'000	Increase/ (Decrease)  %
Revenue	7	61,317	71,162	141,688	132,529	6.9
Cost of sales		(47,401)	(55,562)	(110,451)	(102,949)	(7.3)
<b>Gross profit</b>		13,916	15,600	31,237	29,580	5.6
Distribution and selling expenses		(7,723)	(11,072)	(16,537)	(18,311)	9.7
Administrative expenses		(7,938)	(7,439)	(13,820)	(11,865)	(16.5)
Other income / (expenses)	12	(2,322)	(2,865)	3,695	(3,866)	nm
<b>(Loss) / profit from operating activities</b>	13	(4,067)	(5,776)	4,575	4,462	nm
Finance income	15	138	46	262	86	nm
Finance expenses	16	(538)	(516)	(1,155)	(859)	(34.5)
<b>(Loss)/profit before tax</b>		(4,467)	(6,246)	3,682	(5,235)	nm
Tax	17	2,919	(1,838)	1,841	(2,056)	nm
<b>(Loss)/profit after tax</b>		(1,548)	(8,084)	5,523	(7,291)	nm
<b>Other comprehensive (loss)/ income:</b>						
<b>Items that may be reclassified subsequently to profit or loss</b>						
Foreign currency translation of financial statements of foreign operations		151	1,452	(415)	1,822	nm
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurement of defined benefit obligation		270	11	260	(7)	nm
<b>Other comprehensive income for the period / year, net of tax</b>		421	1,463	(155)	1,815	nm
<b>Total comprehensive (loss)/income for the period / year attributable to owners of the Company</b>		(1,127)	(6,621)	5,368	(5,476)	nm
<b>Earnings per share attributable to owners of the Company (cents per share)</b>						
Basic	18 (a)	(0.43)	(2.23)	1.53	(2.01)	nm
Diluted	18 (a)	(0.43)	(2.23)	1.53	(2.01)	nm

**Nera Telecommunications Ltd and its Subsidiaries**

**Condensed Interim Statements of Changes in Equity  
For the 12 months ended 31 December 2023**

	<b>Attributable to equity holders of the Company</b>				<b>Total equity \$'000</b>
	<b>Share capital \$'000</b>	<b>Revenue reserve \$'000</b>	<b>Translation reserve \$'000</b>	<b>Other reserve \$'000</b>	
<b>Group</b>					
<b>At 1 January 2023</b>	29,909	11,717	(1,044)	483	41,065
Profit for the year	–	5,523	–	–	5,523
Other comprehensive (loss) / income for the year	–	–	(415)	260	(155)
<b>Total comprehensive income / (loss) for the year</b>	–	5,523	(415)	260	5,368
<b>Total contributions by and distributions to owners</b>	–	5,523	(415)	260	5,368
<b>At 31 December 2023</b>	29,909	17,240	(1,459)	743	46,433
<b>At 1 January 2022</b>	29,909	19,008	(2,866)	490	46,541
Loss for the year	–	(7,291)	–	–	(7,291)
Other comprehensive income / (loss) for the year	–	–	1,822	(7)	1,815
<b>Total comprehensive (loss) / income for the year</b>	–	(7,291)	1,822	(7)	(5,476)
<b>Total contributions by and distributions to owners</b>	–	(7,291)	1,822	(7)	(5,476)
<b>At 31 December 2022</b>	29,909	11,717	(1,044)	483	41,065

**Nera Telecommunications Ltd and its Subsidiaries**

**Condensed Interim Statements of Changes in Equity  
For the 12 months ended 31 December 2023**

	Attributable to equity holders of the Company		
	Share capital \$'000	Revenue reserve \$'000	Total equity \$'000
<b>Company</b>			
<b>At 1 January 2023</b>	29,909	(12,337)	17,572
Profit for the year	–	17,025	17,025
<b>Total comprehensive income for the year</b>	–	17,025	17,025
<b>Total contributions by and distributions to owners</b>	–	17,025	17,025
<b>At 31 December 2023</b>	29,909	4,688	34,597
<b>At 1 January 2022</b>	29,909	7,816	37,725
Loss for the year	–	(20,153)	(20,153)
<b>Total comprehensive loss for the year</b>	–	(20,153)	(20,153)
<b>Total contributions by and distributions to owners</b>	–	(20,153)	(20,153)
<b>At 31 December 2022</b>	29,909	(12,337)	17,572

**Nera Telecommunications Ltd and its Subsidiaries**

**Condensed Interim Consolidated Statement of Cash Flow  
For the 12 months ended 31 December 2023**

	Note	12 months ended 31 Dec	
		2023 (unaudited) \$'000	2022 (audited) \$'000
<b>Cash flows from operating activities</b>			
Profit / (Loss) before tax		3,682	(5,235)
Adjustments for:			
Amortisation of intangible asset	12	240	238
Bad debts written off		24	21
Depreciation of property, plant and equipment	13	1,092	797
Depreciation of right-of-use assets	13	1,490	1,035
Interest expense	16	1,155	859
Interest income	15	(262)	(86)
Net fair value (income) / loss on derivatives	13	(54)	56
Net (gain) / write off on disposal of property, plant and equipment	13	(5,754)	(21)
Net allowance for contract assets	7	327	993
Stocks write-down		–	78
Net allowance for doubtful trade debts	13	120	2,285
Net provision for warranty	9	517	234
Gain on sale of customer contracts		–	(631)
Pension cost		586	254
<b>Operating profit before working capital changes</b>		<b>3,163</b>	<b>877</b>
Decrease/(increase) in:			
Stocks		6,545	(1,799)
Contract assets		13,385	(2,222)
Trade receivables		4,502	(8,109)
Other receivables, deposits and prepayments		628	(681)
Increase/(decrease) in:			
Trade payables		(10,620)	14,934
Other payables and accruals		(3,417)	1,898
Contract liabilities		(5,366)	314
Provision for warranty		(505)	(273)
Foreign exchange (gain) / loss, net – forward currency contracts		(54)	56
Unrealised foreign exchange loss, net		1,470	4,613
<b>Cash generated from operations</b>		<b>9,731</b>	<b>9,608</b>
Income tax paid		(920)	(1,256)
Interest paid		(602)	(618)
Benefits paid out from pension fund		(301)	(92)
<b>Net cash flows generated from operating activities</b>		<b>7,908</b>	<b>7,642</b>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of property, plant and equipment		6,370	22
Purchase of property, plant and equipment	5	(1,348)	(529)
Purchase of intangible assets		(75)	(6)
Proceeds from sale of customer contracts		–	338
Interest received		192	86
<b>Net cash flows generated from/(used in) investing activities</b>		<b>5,139</b>	<b>(89)</b>
<b>Cash flows from financing activities</b>			
Proceeds from bank loans		9,000	24,000
Increased in trade facilities		2,497	–
Repayment of bank loans		(20,500)	(35,000)
Repayment of lease liabilities		(963)	(1,109)
<b>Net cash flows used in financing activities</b>		<b>(9,966)</b>	<b>(12,109)</b>
<b>Net increase /(decrease) in cash and cash equivalents</b>		<b>3,081</b>	<b>(4,556)</b>
Effect of exchange rates changes on cash and bank balances		(664)	(761)
Cash and cash equivalents at beginning of year		18,086	23,403
<b>Cash and cash equivalents at end of year</b>		<b>20,503</b>	<b>18,086</b>
<b>Cash and cash equivalents comprise:</b>			
Cash and bank balances		20,622	18,200
Deposits pledged		(119)	(114)
		<b>20,503</b>	<b>18,086</b>

## **Nera Telecommunications Ltd and its Subsidiaries**

### **Notes to the Condensed Interim Consolidated Financial Statements For the 12 months ended 31 December 2023**

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#### **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). The ultimate holding company is PGA Partners Ltd, acting solely in its capacity as general partner of Canopus Asia Systems, L.P.. The immediate holding company is Asia Systems Ltd, a wholly-owned subsidiary of Canopus Asia Systems, L.P.. Asia Systems Ltd, PGA Partners Ltd and Canopus Asia Systems, L.P. are domiciled in Cayman Islands.

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.

There have been no significant changes in the nature of these activities during the current reporting period.

#### **2. Summary of significant accounting policies**

##### **2.1 Basis of preparation**

The condensed interim financial statements for the six months ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2022.

The condensed interim 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.

##### **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 period, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2023, where applicable. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.



**2. Summary of significant accounting policies (cont'd)**

**2.3 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 contract, 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 2.3(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 over time, based on cost incurred to date relative to the total estimated cost to satisfy the performance obligation.

**(ii) Maintenance services**

The Group provides maintenance services for network systems 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.

**2. Summary of significant accounting policies (cont'd)**

**2.3 Revenue (cont'd)**

**(c) Turnkey project (cont'd)**

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 recognised 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 relate 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.

**3. Significant accounting judgments and estimates**

The preparation of the Group's condensed interim 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.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

**4. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

**5. Property, plant and equipment**

At 31 December 2023, the Group acquired property, plant and equipment with an aggregate cost of \$1,372,000 (2022: \$1,049,000). The cash outflow on acquisition of property, plant and equipment amounted to \$1,348,000 (2022: \$529,000). The remaining amount of \$24,000 (2022: \$520,000) is unpaid as at year end and is recorded in other payables.

**Nera Telecommunications Ltd and its Subsidiaries**

**Notes to the Condensed Interim Consolidated Financial Statements  
For the 12 months ended 31 December 2023**

**6. Stocks**

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	\$'000	\$'000	\$'000	\$'000
Network equipment	5,401	11,662	5,096	7,136

At 31 December 2023, stocks recognised as an expense in the consolidated statement of comprehensive income under line item “Cost of sales” for the Group amounted to \$56,904,000 (2022: \$50,029,000) inclusive stocks net write-down of nil (2022: \$78,000).

**7. Revenue**

(a) **Disaggregation of revenue**

<b>Segments</b>	<b>WIN</b>		<b>NI</b>		<b>Total revenue</b>	
	<b>6 months ended</b>		<b>6 months ended</b>		<b>6 months ended</b>	
	<b>31 Dec</b>		<b>31 Dec</b>		<b>31 Dec</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Primary geographical markets</b>						
Singapore	2,481	932	26,045	26,099	28,526	27,031
Indonesia	2,407	1,122	6,542	13,020	8,949	14,142
Malaysia	2,136	1,377	8,352	14,763	10,488	16,140
Philippines	199	687	320	1,154	519	1,841
Thailand	590	374	1,017	636	1,607	1,010
EMEA countries	7,116	9,362	3,886	1,237	11,002	10,599
Others	225	382	1	17	226	399
	15,154	14,236	46,163	56,926	61,317	71,162
<b>Major product or service lines</b>						
Sale of equipment	657	280	19,325	13,882	19,982	14,162
Rendering of services	5,245	2,937	22,670	21,778	27,915	24,715
Turnkey project	9,252	11,019	4,168	21,266	13,420	32,285
	15,154	14,236	46,163	56,926	61,317	71,162
<b>Timing of transfer of goods or services</b>						
At a point in time	657	280	19,325	13,882	19,982	14,162
Over time	14,497	13,956	26,838	43,044	41,335	57,000
	15,154	14,236	46,163	56,926	61,317	71,162

**Nera Telecommunications Ltd and its Subsidiaries**

**Notes to the Condensed Interim Consolidated Financial Statements  
For the 12 months ended 31 December 2023**

**7. Revenue (cont'd)**

Segments	WIN		NI		Total revenue	
	12 months ended 31 Dec		12 months ended 31 Dec		12 months ended 31 Dec	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Primary geographical markets</b>						
Singapore	3,093	1,521	58,286	49,506	61,379	51,027
Indonesia	3,611	2,530	27,139	23,412	30,750	25,942
Malaysia	2,941	2,354	20,284	22,563	23,225	24,917
Philippines	762	1,085	1,090	4,770	1,852	5,855
Thailand	1,180	892	1,501	707	2,681	1,599
EMEA countries	15,198	18,423	5,061	1,730	20,259	20,153
Others	1,530	2,644	12	392	1,542	3,036
	<b>28,315</b>	<b>29,449</b>	<b>113,373</b>	<b>103,080</b>	<b>141,688</b>	<b>132,529</b>
<b>Major product or service lines</b>						
Sale of equipment	7,105	9,171	49,873	31,881	56,978	41,052
Rendering of services	7,785	5,695	44,928	42,432	52,713	48,127
Turnkey project	13,425	14,583	18,572	28,767	31,997	43,350
	<b>28,315</b>	<b>29,449</b>	<b>113,373</b>	<b>103,080</b>	<b>141,688</b>	<b>132,529</b>
<b>Timing of transfer of goods or services</b>						
At a point in time	7,105	9,171	49,873	31,881	56,978	41,052
Over time	21,210	20,278	63,500	71,199	84,710	91,477
	<b>28,315</b>	<b>29,449</b>	<b>113,373</b>	<b>103,080</b>	<b>141,688</b>	<b>132,529</b>

**(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.

7. Revenue (cont'd)

(b) Judgment and methods used in estimating revenue

(ii) Recognition of revenue from professional services and turnkey project over time

For rendering of professional services and 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 the 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 is 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	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
Trade receivables (Note 8)	42,979	48,884	12,408	7,990
Contract assets	22,062	36,227	9,760	11,609
Contract liabilities	25,080	30,845	19,407	20,054

At 31 December 2023, the Group has recognised a net impairment losses on receivables arising from contracts with customers amounting to \$120,000 (2022: net impairment losses of \$2,285,000). The Group has recognised a net impairment loss on contract assets amounting to \$327,000 (2022: net impairment loss on contract assets of \$993,000).

**Nera Telecommunications Ltd and its Subsidiaries**

**Notes to the Condensed Interim Consolidated Financial Statements  
For the 12 months ended 31 December 2023**

**8. Trade receivables**

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	\$'000	\$'000	\$'000	\$'000
Trade receivables	45,729	59,380	12,446	8,367
Less: Allowance for impairment of trade receivables	(2,750)	(10,496)	(38)	(377)
<b>Total trade receivables</b>	<b>42,979</b>	<b>48,884</b>	<b>12,408</b>	<b>7,990</b>

At 31 December 2023, retention sums relating to contracts included in trade receivables of the Group and the Company are \$3,688,000 and nil (2022: \$5,162,000 and nil) respectively.

**9. 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:

- (a) 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;
- (b) the Group continues to work on projects and install equipment for customers in environments that are considerably more challenging;
- (c) the Group continues to use equipment from new vendors whose equipment may not be fully tested in different environments; and
- (d) there is a mismatch of the duration of the warranty coverage.

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

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	\$'000	\$'000	\$'000	\$'000
At 1 January	479	531	304	390
Provision for the year	744	380	715	304
Write-back of provision	(227)	(146)	(98)	(124)
Utilised during the year	(505)	(273)	(504)	(266)
Currency realignment	–	(13)	–	–
<b>At 31 December</b>	<b>491</b>	<b>479</b>	<b>417</b>	<b>304</b>

**10. Borrowings**

	<b>The Group and the Company</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	\$'000	\$'000
<b>Amount repayable within one year or on demand</b>		
Unsecured	9,500	21,000
Trade facilities	2,497	–
	<b>11,997</b>	<b>21,000</b>

**Nera Telecommunications Ltd and its Subsidiaries**

**Notes to the Condensed Interim Consolidated Financial Statements  
For the 12 months ended 31 December 2023**

**11. Share capital**

	<b>Group and Company</b>			
			<b>Number of shares</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	\$'000	\$'000	'000	'000
Issued and fully paid ordinary shares:	29,909	29,909	361,897	361,897

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.

**12. Other income / (expenses)**

	<b>Group</b>			
	<b>6 months ended</b>		<b>12 months ended</b>	
	<b>31 Dec</b>		<b>31 Dec</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	\$'000	\$'000	\$'000	\$'000
Amortisation of intangible asset	(119)	(119)	(240)	(238)
Realised foreign exchange loss, net	(125)	(124)	(649)	(213)
Unrealised foreign exchange loss, net	(1,643)	(3,330)	(1,416)	(4,669)
Government grants	209	(2)	237	53
Net gain / (write off) on disposal of property, plant and equipment	(547)	7	5,754	21
Gain on sale of customer contracts *	–	200	–	631
Others	(97)	503	9	549
	(2,322)	(2,865)	3,695	(3,866)

\* Proceeds from disposal of property, plant and equipment, receivables and novation of operator's agreements to a purchaser in Indonesia.

**Nera Telecommunications Ltd and its Subsidiaries**

**Notes to the Condensed Interim Consolidated Financial Statements  
For the 12 months ended 31 December 2023**

**13. Profit / (Loss) from operating activities**

The following items have been included in arriving at profit from operating activities:

	Group			
	6 months ended 31 Dec		12 months ended 31 Dec	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Depreciation of property, plant and equipment	521	589	1,092	797
Depreciation of right-of-use assets	671	635	1,490	1,035
Bad debts written off	24	21	24	21
Write-back for doubtful trade receivables	(916)	(393)	(1,122)	(430)
Impairment loss on trade receivables	386	2,309	1,242	2,715
Foreign exchange loss /(gain), net – forward currency contracts	72	95	(54)	56
Realised foreign exchange loss, net	125	124	649	213
Unrealised foreign exchange loss, net	1,572	3,235	1,470	4,613
Net gain / write off on disposal of property, plant and equipment	(547)	(7)	(5,754)	(21)
Legal fee	183	76	183	79

**14. Personnel expenses and employee benefits**

	Group			
	6 months ended 31 Dec		12 months ended 31 Dec	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Wages, salaries and bonuses	8,244	8,539	15,951	15,168
Pension contributions	1,372	1,178	2,334	1,979
Other personnel benefits	1,491	1,342	2,804	2,637
Termination benefits	61	–	73	27
	11,168	11,059	21,162	19,811

**15. Finance income**

	Group			
	6 months ended 31 Dec		12 months ended 31 Dec	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Interest income from:				
Bank deposits	116	43	227	78
Others	22	3	35	8
	138	46	262	86



**Nera Telecommunications Ltd and its Subsidiaries**

**Notes to the Condensed Interim Consolidated Financial Statements  
For the 12 months ended 31 December 2023**

**16. Finance expenses**

	Group			
	6 months ended 31 Dec		12 months ended 31 Dec	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Interest expense	411	367	899	618
Interest on lease liabilities	127	149	256	241
	538	516	1,155	859

**17. Tax**

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group			
	6 months ended 31 Dec		12 months ended 31 Dec	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Consolidated income statement:</b>				
Current income tax:				
Current income taxation	214	1,440	1,250	1,662
Under / (over) provision in respect of previous years	681	(66)	708	(70)
Deferred income tax:				
Current year	(3,832)	417	(3,832)	417
Prior year	18	47	33	47
Income tax expense recognised in profit and loss	(2,919)	1,838	(1,841)	2,056

As at 31 December 2023, the Group and the Company recognised deferred tax assets of \$4,010,000 (2022: \$484,000) and \$2,128,000 (2022: \$208,000) respectively. The deferred tax assets are mainly related to unutilised 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.

**Nera Telecommunications Ltd and its Subsidiaries**

**Notes to the Condensed Interim Consolidated Financial Statements  
For the 12 months ended 31 December 2023**

**18. 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 period.

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 period (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 period ended 31 December:

	<b>Group 12 months ended 31 Dec</b>	
	<b>2023</b>	<b>2022</b>
	\$'000	\$'000
Net profit/(loss) attributable to ordinary equity holders of the Company for basic and diluted earnings per share	5,523	(7,291)
Weighted average number of ordinary shares for basic and diluted earnings per share computation	361,897	361,897

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.

(b) ***Earnings per share computation***

The basic and diluted earnings per share are calculated by dividing the profit for the period, 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 18(a) above.

**19. Net asset value**

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	\$	\$	\$	\$
Net asset value per ordinary share based on issued share capital at the end of the financial year (in cents):	12.83	11.35	9.56	4.86

**20. 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 Networks ("WIN") – Sales, marketing and distribution, design and engineering, project implementation, service and maintenance of transmission products and systems and wireless solutions.
- Network Infrastructure ("NI") – 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.

**Nera Telecommunications Ltd and its Subsidiaries**

**Notes to the Condensed Interim Consolidated Financial Statements  
For the 12 months ended 31 December 2023**

**20. Segment information (cont'd)**

<b>6 months ended 31 Dec 2023</b>	<b>WIN \$'000</b>	<b>NI \$'000</b>	<b>Adjustments \$'000</b>		<b>Total \$'000</b>
Revenue	15,154	46,163			61,317
Cost of sales	(13,128)	(34,273)			(47,401)
Gross profit	2,026	11,890			13,916
Distribution and selling expenses	(1,572)	(6,151)			(7,723)
Administrative expenses	(1,087)	(6,851)			(7,938)
Other expenses	(973)	(1,349)			(2,322)
Loss from operating activities	(1,606)	(2,461)			(4,067)
Finance income					138
Finance expenses					(538)
Loss before tax					(4,467)
Tax					2,919
Net loss for the period					(1,548)
<b>Other information</b>					
Segment assets	26,928	53,318	46,547	A	126,793
Segment liabilities	10,892	48,922	20,546	B	80,360
Capital expenditure	11	41			52
Depreciation and amortisation	112	1,198			1,310
Other non-cash (income)/expenses (*)	(767)	647			(120)
<b>6 months ended 31 Dec 2022</b>					
	<b>WIN \$'000</b>	<b>NI \$'000</b>	<b>Adjustments \$'000</b>		<b>Total \$'000</b>
Revenue	14,236	56,926			71,162
Cost of sales	(11,445)	(44,117)			(55,562)
Gross profit	2,791	12,809			15,600
Distribution and selling expenses	(3,347)	(7,725)			(11,072)
Administrative expenses	(1,448)	(5,991)			(7,439)
Other expenses	(368)	(2,497)			(2,865)
Loss from operating activities	(2,372)	(3,404)			(5,776)
Finance income					46
Finance expenses					(516)
Loss before tax					(6,246)
Tax					(1,838)
Net loss for the period					(8,084)
<b>Other information</b>					
Segment assets	35,244	75,433	41,733	A	152,410
Segment liabilities	14,626	64,545	32,174	B	111,345
Capital expenditure	49	932			981
Depreciation and amortisation	141	1,202			1,343
Other non-cash (income)/expenses (*)	980	1,502			2,482

**Nera Telecommunications Ltd and its Subsidiaries**

**Notes to the Condensed Interim Consolidated Financial Statements  
For the 12 months ended 31 December 2023**

**20. Segment information (cont'd)**

<b>12 months ended 31 Dec 2023</b>	<b>WIN \$'000</b>	<b>NI \$'000</b>	<b>Adjustments \$'000</b>		<b>Total \$'000</b>
Revenue	28,314	113,374			141,688
Cost of sales	(23,360)	(87,091)			(110,451)
Gross profit	4,954	26,283			31,237
Distribution and selling expenses	(3,587)	(12,950)			(16,537)
Administrative expenses	(2,008)	(11,812)			(13,820)
Other income / (expenses)	(1,469)	5,164			3,695
(Loss)/Profit from operating activities	(2,110)	6,685			4,575
Finance income					262
Finance expenses					(1,155)
Profit before tax					3,682
Tax					1,841
Net profit for the year					5,523
<b>Other information</b>					
Segment assets	26,928	53,318	46,547	A	126,793
Segment liabilities	10,892	48,922	20,546	B	80,360
Capital expenditure	61	1,311			1,372
Depreciation and amortisation	243	2,579			2,822
Other non-cash (income)/expenses (*)	(633)	1,621			988
<b>12 months ended 31 Dec 2022</b>					
	<b>WIN \$'000</b>	<b>NI \$'000</b>	<b>Adjustments \$'000</b>		<b>Total \$'000</b>
Revenue	29,449	103,080			132,529
Cost of sales	(23,590)	(79,359)			(102,949)
Gross profit	5,859	23,721			29,580
Distribution and selling expenses	(5,985)	(12,326)			(18,311)
Administrative expenses	(2,635)	(9,230)			(11,865)
Other expenses	(321)	(3,545)			(3,866)
Loss from operating activities	(3,082)	(1,380)			(4,462)
Finance income					86
Finance expenses					(859)
Loss before tax					(5,235)
Tax					(2,056)
Net loss for the year					(7,291)
<b>Other information</b>					
Segment assets	35,244	75,433	41,733	A	152,410
Segment liabilities	14,626	64,545	32,174	B	111,345
Capital expenditure	69	980			1,049
Depreciation and amortisation	334	1,736			2,070
Other non-cash (income)/expenses (*)	962	2,018			2,980

(\*) Other non-cash (income)/expenses include net provision for warranty, stocks written down, net allowance for doubtful trade debts, net allowance for contract assets, bad debts written off and gain on sale of customer contracts.

**Nera Telecommunications Ltd and its Subsidiaries**

**Notes to the Condensed Interim Consolidated Financial Statements  
For the 12 months ended 31 December 2023**

**20. Segment information (cont'd)**

**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:

	<b>6 and 12 months ended Dec 2023</b>	<b>6 and 12 months ended Dec 2022</b>
	\$'000	\$'000
Deferred tax assets	4,010	484
Other receivables, deposits and prepayments	21,915	23,049
Cash and cash equivalents	16,402	18,200
Fixed deposits	4,220	–
	<u>46,547</u>	<u>41,733</u>

B The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	<b>6 and 12 months ended Dec 2023</b>	<b>6 and 12 months ended Dec 2022</b>
	\$'000	\$'000
Defined benefit obligation	582	550
Other payables and accruals	6,911	10,052
Borrowings	11,997	21,000
Provision for taxation	1,056	572
	<u>20,546</u>	<u>32,174</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:

	<b>Revenue</b>			
	<b>6 months ended 31 Dec</b>		<b>12 months ended 31 Dec</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	\$'000	\$'000	\$'000	\$'000
Singapore	28,526	27,031	61,379	51,027
Indonesia	8,949	14,142	30,750	25,942
Malaysia	10,488	16,140	23,225	24,917
Philippines	519	1,841	1,852	5,855
Thailand	1,607	1,010	2,681	1,599
EMEA countries	9,360	10,599	18,617	20,153
Others	1,868	399	3,184	3,036
	<u>61,317</u>	<u>71,162</u>	<u>141,688</u>	<u>132,529</u>

## Nera Telecommunications Ltd and its Subsidiaries

### Notes to the Condensed Interim Consolidated Financial Statements For the 12 months ended 31 December 2023

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#### 20. Segment information (cont'd)

##### *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:

	<b>Non-current assets 12 months ended 31 Dec</b>	
	<b>2023</b> \$'000	<b>2022</b> \$'000
Singapore	6,253	6,399
Indonesia	409	485
Malaysia	215	159
Philippines	2,823	3,990
Thailand	268	349
EMEA countries	35	90
Others	–	–
	<hr/>	<hr/>
	10,003	11,472
	<hr/>	<hr/>

Non-current assets information presented above consists of intangible assets, property, plant and equipment, right-of-use assets, long term trade and other receivables.

## Nera Telecommunications Ltd and its Subsidiaries

### Other Information Required by Listing Manual For the 12 months ended 31 December 2023

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**1. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The Condensed Consolidated Statement of Financial Position of Nera Telecommunications Ltd and its subsidiaries as at 31 December 2023 and the related Condensed Consolidated Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows for the six-months period then ended and certain explanatory notes have not been audited or reviewed.

**2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) any significant factors that affected the revenue, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### **Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

**a) Revenue**

On a year-on-year ("YOY") basis, the Group's revenue for 2H 2023 decreased by 13.9% to \$61.3 million from \$71.2 million in 2H 2022, mainly due to lower revenue from the Service Provider ("SP") and Government, Transport and Utility ("GTU") sectors, partially offset by higher revenue from the Enterprise ("ENT") sector.

The Group's total revenue increased by 6.9% to \$141.7 million in FY 2023 from \$132.5 million in FY 2022. The increase was driven by higher contributions from the GTU and ENT sectors.

#### **Network Infrastructure ("NI")**

Against the corresponding period last year, revenue for 2H 2023 decreased by 18.8% to \$46.2 million from \$56.9 million in 2H 2022. The decrease was mainly due to lower contributions from Malaysia and Indonesia, partially offset by higher revenue from Singapore and Thailand.

Compared to FY 2022, revenue for FY 2023 increased by 10.0% to \$113.4 million from \$103.1 million in FY 2022. The increase was driven by higher revenue contribution from Singapore, Indonesia and EMEA countries, partially offset by lower contributions from Malaysia and Philippines.

#### **Wireless Infrastructure Network ("WIN")**

On a YOY basis, revenue for 2H 2023 increased by 6.4% to \$15.2 million from \$14.2 million in 2H 2022. However, on a full-year basis, revenue for FY 2023 decreased by 3.9% to \$28.3 million from \$29.4 million in FY 2022. The decrease was mainly due to lower revenue contribution from the EMEA markets, partially offset by the higher contribution from Singapore and Indonesia.

**b) Gross Profit**

On a YOY basis, the Group recorded a 10.8% decrease in gross profit for 2H 2023 to \$14.0 million from \$15.6 million in 2H 2022. Gross profit margin for 2H 2023 stood at 22.7%, slightly higher against 2H 2022 of 21.9%.

Gross profit in FY 2023 increased by 5.6% to \$31.2 million from \$29.6 million in FY 2022, driven by higher revenue booked. In addition, gross profit margin for FY 2023 stood at 22.0%, slightly lower against FY 2022 of 22.3%.



**c) Other Income/(Expenses)**

On a YOY basis, the Group's other expenses decreased in 2H 2023 by \$0.5 million as compared to the preceding year period. The decrease was mainly due to lower unrealised foreign exchange losses. For FY2023, the Group recorded other income of \$3.7 million, which includes proceeds of \$6.3 million from the sale of the Group's Defu Lane premises that was completed in January 2023, compared to other expenses of \$3.9 million in FY2022.

**d) Operating Expenses**

On a YOY basis, total operating expenses for 2H 2023 and FY 2023 decreased by 15.4% and 0.6% respectively, as compared to the corresponding periods last year. This was mainly due to lower distribution and selling expenses and partially offset by the increase in administrative expenses.

Distribution and selling expenses decreased by 30.2% in 2H 2023 and 9.7% in FY 2023. This was mainly due to lower provision for doubtful debts from foreign subsidiaries and partially offset by higher staff related costs.

On the other hand, administrative expenses increased by 6.7% in 2H 2023 and 16.5% in FY 2023. This was mainly due to the increase in office rent expenses, and higher depreciation resulting from the relocation of the Singapore office premises. In addition, there was a reversal of excess provision on subsidiary sales and service tax of \$0.5 million booked in FY 2022.

**e) Finance income/(expense)**

The increase of interest expenses in 2H 2023 and FY 2023 as compared to preceding periods last year is largely due to higher borrowing rates. On the other hand, higher interest income booked in 2H 2023 and FY 2023 is mainly due to higher interest earned from higher placement of fixed deposits.

**f) Profit / (Loss) Before Tax**

The Group registered loss before tax of \$4.5 million in 2H 2023 compared to loss before tax of \$6.2 million in 2H 2022, a decrease of \$1.8 million. This was mainly due to lower operating expenses by \$2.9 million in 2H 2023 and partially offset by lower gross profit resulting from lower revenue booked.

For FY2023, the Group reported profit before tax of \$3.7 million, an improvement of \$8.9 million from loss before tax of \$5.2 million for FY 2022. The increase in profit before tax was mainly contributed by higher gross profit derived from higher revenue, lower operating expenses, one off net gain on the sale of property and lower unrealised foreign exchange losses.

**g) Tax**

Against the corresponding period last year, the decrease of income tax expense in 2H 2023 and FY 2023 was mainly due to lower taxable profit from foreign subsidiaries, unabsorbed tax losses carried forward to offset against current period tax expenses, and deferred tax assets adjustment that arose from deductible temporary differences and unused tax losses.

**h) Profit / (Loss) After Tax**

Overall, the Group reported a profit after tax of \$5.5 million in FY 2023, as compared to a loss after tax of \$7.3 million in FY 2022. The improvement of \$8.9 million profit before tax as compared to year 2022 and the recognition of deferred tax assets of \$3.8 million were the key contributing factors.

**Interim Statements of Financial Position**

**i) Non-current assets**

The Group's non-current assets increased by \$2.1 million mainly due to the increase in deferred tax assets, partially offset by the decrease in carrying amount of property, plant and equipment, right-of-use assets and intangible assets.

**j) Current assets**

The Group's current assets decreased by \$27.7 million mainly due to the decrease in trade receivables, contract assets, stocks, and assets held for sale.

**k) Current liabilities**

The Group's current liabilities decreased by \$30.0 million mainly due to the decrease in trade payables, other payables, short-term borrowings and contract liabilities.

**l) Non-current liabilities**

The Group's non-current liabilities decreased marginally mainly due to the payment on the lease liabilities.

**m) Cash flow**

The increase in cash and cash equivalents of \$3.1 million was mainly due to:

- proceeds from the disposal of property, plant and equipment of \$6.4 million, partially offset by
- net repayment of bank loans totalling \$11.5 million and lease liabilities \$1.0 million

**3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

In FY 2023, the Group secured approximately \$95.6 million in order intake, a decrease of 39.6% (\$62.7 million) as compared to \$158.3 million in FY 2022.

The declined in order intake for FY2023 was mainly due to headwinds in the operating environment with economic challenges and prolonged geopolitical tensions. However, the Group is confident the emphasis on risk management and early success of its efforts to refine deal qualification will allow it to seize opportunities that better align with its strategic objectives.

The Group's NI business segment contributed approximately \$69.7 million, or 72.9% of the total FY 2023 order intake, a decrease of 48.8% (\$66.3 million) as compared to \$136.0 million recorded in FY 2022. The Group's WIN business segment contributed the remaining \$25.9 million in order intake, an increase of 16.1% (\$3.6 million) as compared to \$22.3 million in FY 2022.

In spite of the challenges, the Group strengthened its balance sheet, achieving a net cash position of \$8.6 million as of 31 December 2023, a significant improvement of \$11.4 million from net debt of \$2.8 million a year ago.

Additionally, the Group will accelerate strategies to leverage its long-standing relationships with leading technology partners to offer AI-enabled solutions to customers, cybersecurity, and

## Nera Telecommunications Ltd and its Subsidiaries

### Other Information Required by Listing Manual For the 12 months ended 31 December 2023

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Enterprise Service Management. It is also diversifying into new industries such as logistics, transportation, Oil & Gas, utilities and financial services.

The Group recently secured two strategic projects, in line with efforts to improve quality. In January 2024, the Group clinched a \$10 million project, with a leading Southeast Asian service provider to implement infrastructure across over 30 sites for the latter's digital economy operations. The project includes a five-year managed services component covering management, operation and maintenance of equipment, as well as round-the-clock support and network performance monitoring.

In February 2024, the Group secured, as part of a consortium with Panasonic subsidiary RFNet Technologies Pte Ltd ("RFNet"), a \$20 million project to revamp Singapore's bus ticketing depot system. Over the course of 47 months, the Group will work closely with RFNet to deploy a full suite of solutions across 14 existing bus depots, with an option for four future depots.

#### 5. Dividend

##### (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of Dividend	Proposed Final (one-tier)
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.5 cent
Tax rate	Tax exempt

##### (b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

##### (c) Date payable

31 May 2024

##### (d) Books closure date

10 May 2024

#### 6. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

#### 7. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There is no IPT mandate obtained.

#### 8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company has procured the revised undertakings from all directors and from executive officers in the format set out in Appendix 7.7 under Rule 720(1).

**Nera Telecommunications Ltd and its Subsidiaries**

**Other Information Required by Listing Manual  
For the 12 months ended 31 December 2023**

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**9. Disclosure of persons occupying managerial positions in the issuer or any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).**

The Company confirms that no person is occupying any managerial position in the Company or any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

**Confirmation by the Board**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 31 December 2023 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Basil Chan  
Chairman

Chong Hoi Ming  
Director

29 February 2024