

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

RESPONSE TO QUERY REGARDING ANNUAL REPORT 2020

The Board of Directors of Nera Telecommunications Ltd (“the Company”) refers to the query received from the SGX RegCo on 18 April 2021, regarding Annual Report (“AR”) 2020, and wishes to respond to the query as follows:-

Question:

Listing Rule 1207(10) states the board must comment on the adequacy and effectiveness of the issuer's internal controls (including financial, operational, compliance and information technology controls) and risk management systems. A statement on whether the audit committee concurs with the board's comment must also be provided. Where material weaknesses are identified by the board or audit committee, they must be disclosed together with the steps taken to address them. Please provide the board's comment on the adequacy and effectiveness of the issuer's internal controls and risk management systems.

Company's Response:

Based on the framework of risk management and internal controls established and maintained in the Group, the work performed by the internal auditors, statutory audit review undertaken by the external auditors, as well as the assurances from the CEO and the CFO, pursuant to Provisions 9.2 of the Code of Corporate Governance received, the Board is of the view that the internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2020.

The Audit and Risk Management Committee concurs with the Board's views that the Group have adequate and effective internal controls and risk management systems in place to address the risks relating to financial, operational, compliance and information technology for the financial year ended 31 December 2020.

BY ORDER OF THE BOARD

Chan Wan Mei and Gan Lee Teng
Joint Company Secretaries
20 April 2021