

# GENERATING SOLUTIONS FOR A SMART FUTURE



# ANNUAL GENERAL MEETING 2025

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29 APRIL 2025

# **CHAIRMAN'S INTRODUCTION**

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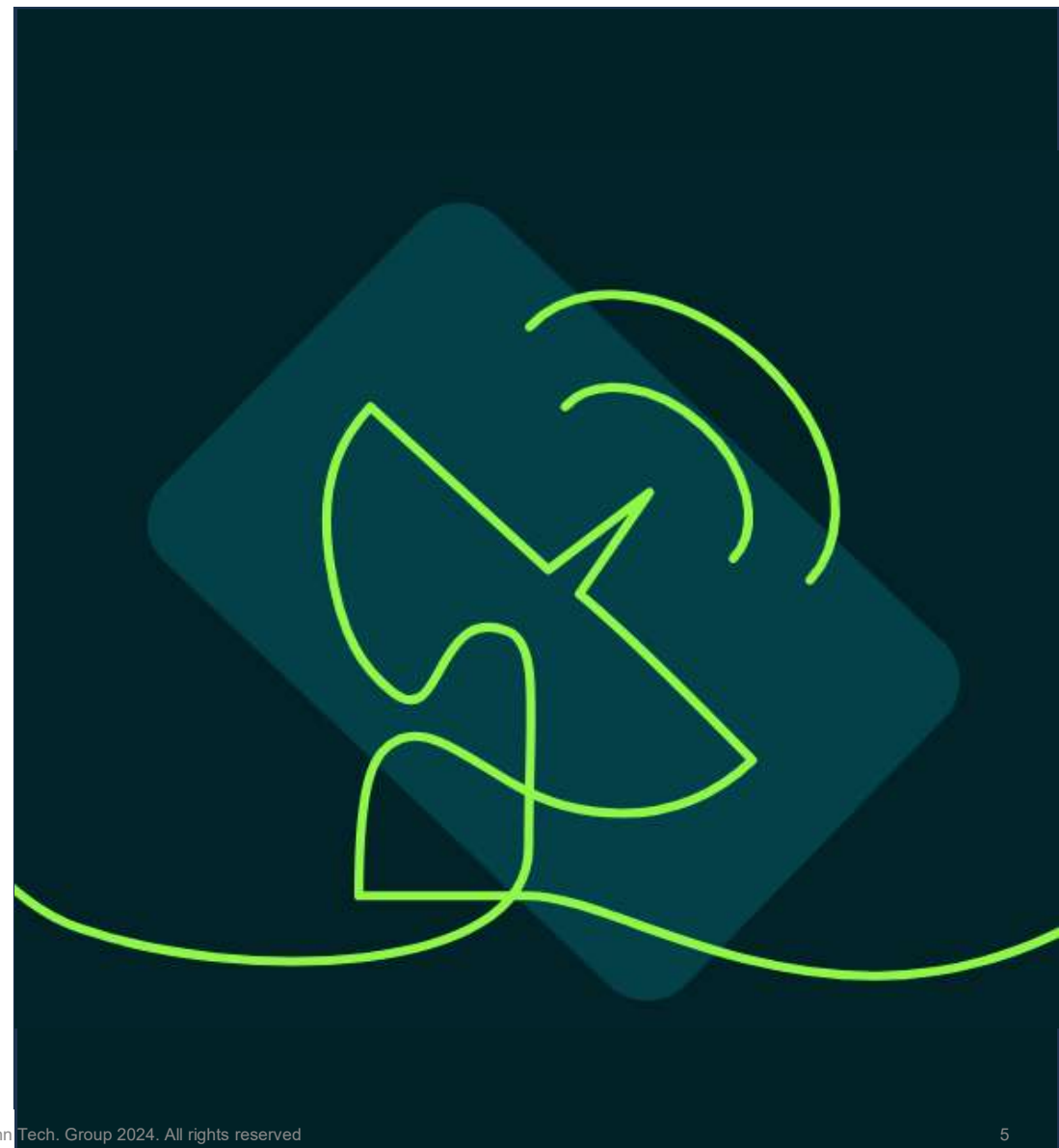
## **MR STEVE CHU FU-CHUAN**



# AGENDA

- Executive Summary
- Financial Highlights
- Outlook & Strategies
- In Conclusion

# EXECUTIVE SUMMARY



# ENNOCONN MAJOR SHAREHOLDERS



27.5 %



5.3 %



3.6 %

**Global SCM & DMS**  
**( HaaS : OEM / ODM / OBM )**

**ARM Based APU / SOC**  
**IoT Devices**

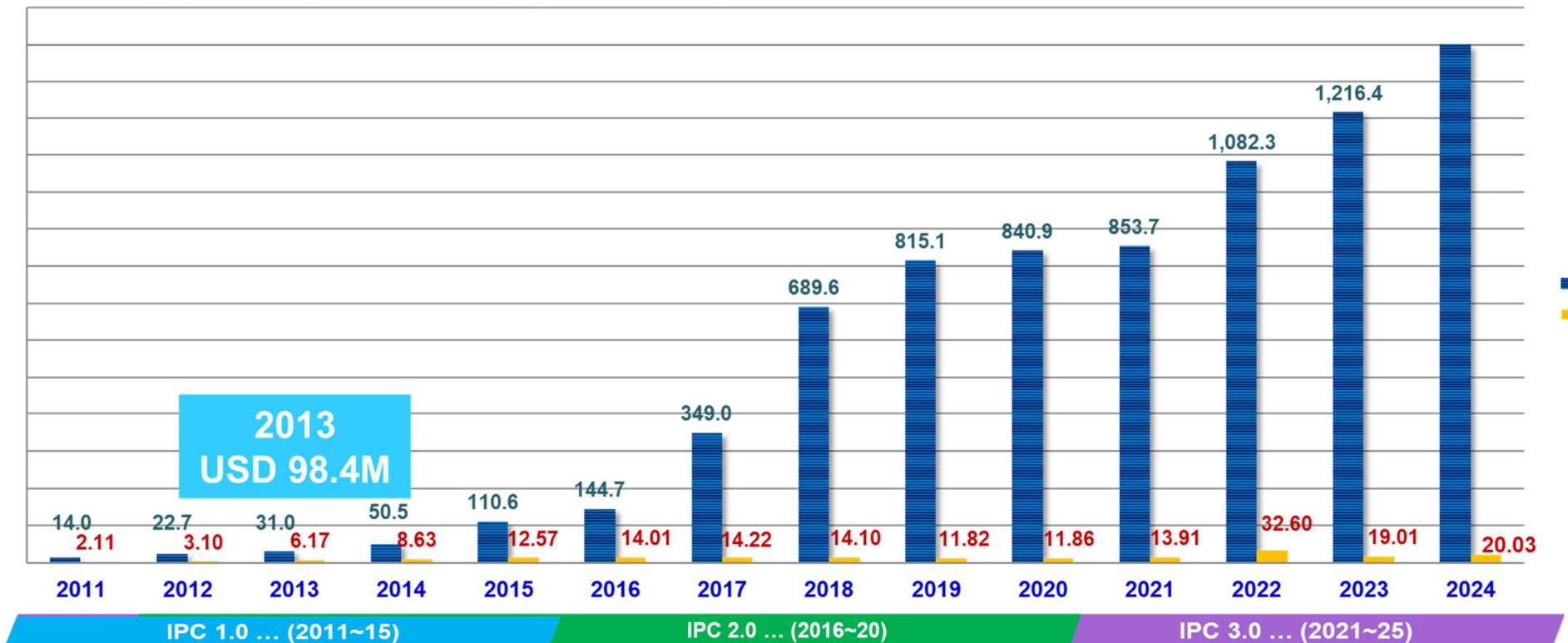
**Global SaaS / PaaS**  
**ESaaS**

# ENNOCONN OPERATING PERFORMANCE

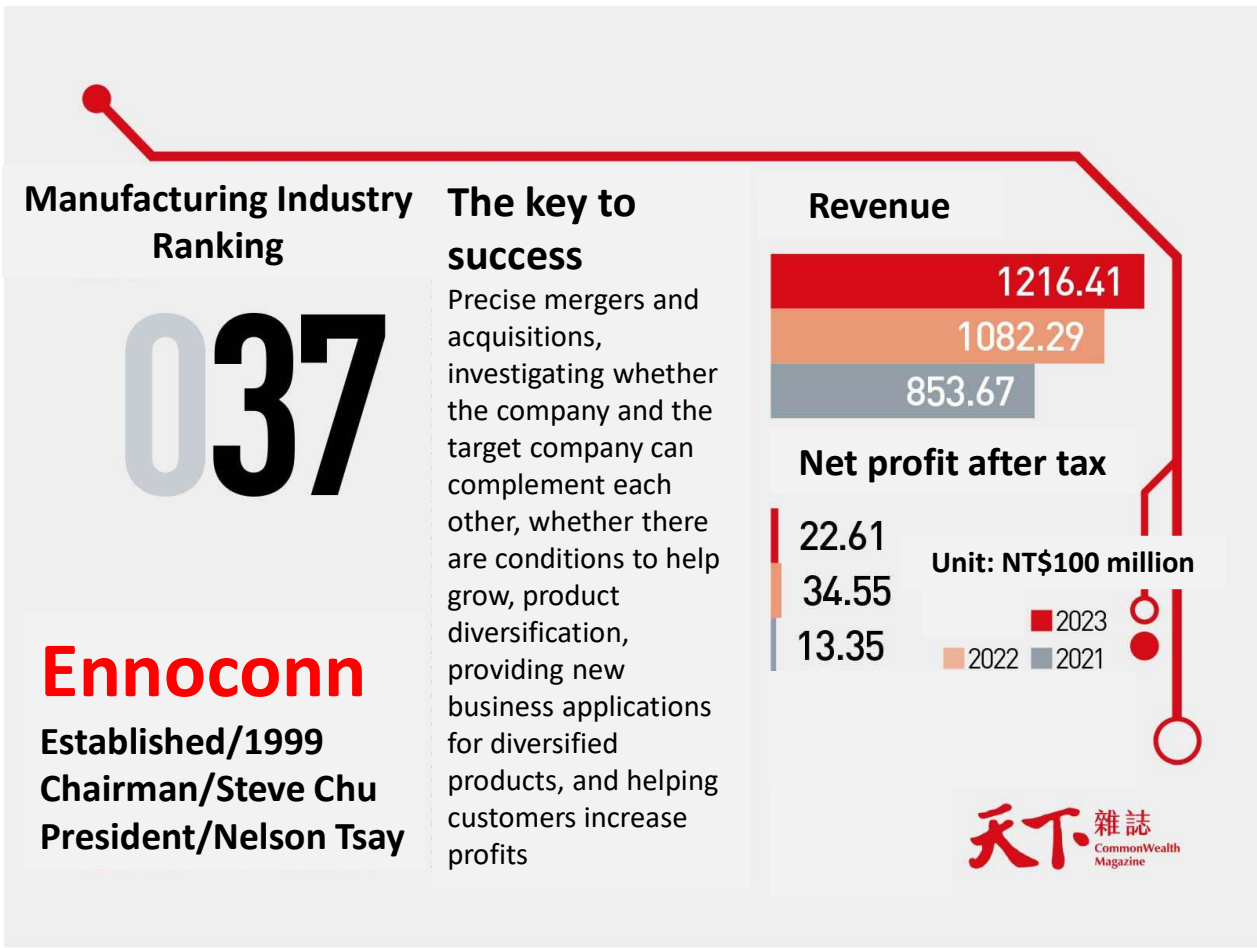
- 2013(USD 98.4M) ~ 2024(USD 4.7B), 47 times growth in terms of Revenue
- Annual revenue CAGR (2013 ~ 24) : 42% ; Annual net profit CAGR (2013 ~ 24) : 22%
- Average (2013 ~ 24) cash dividend payout ratio : 60%

**2024  
USD 4.7 B**

Unit : 100 Million NTD

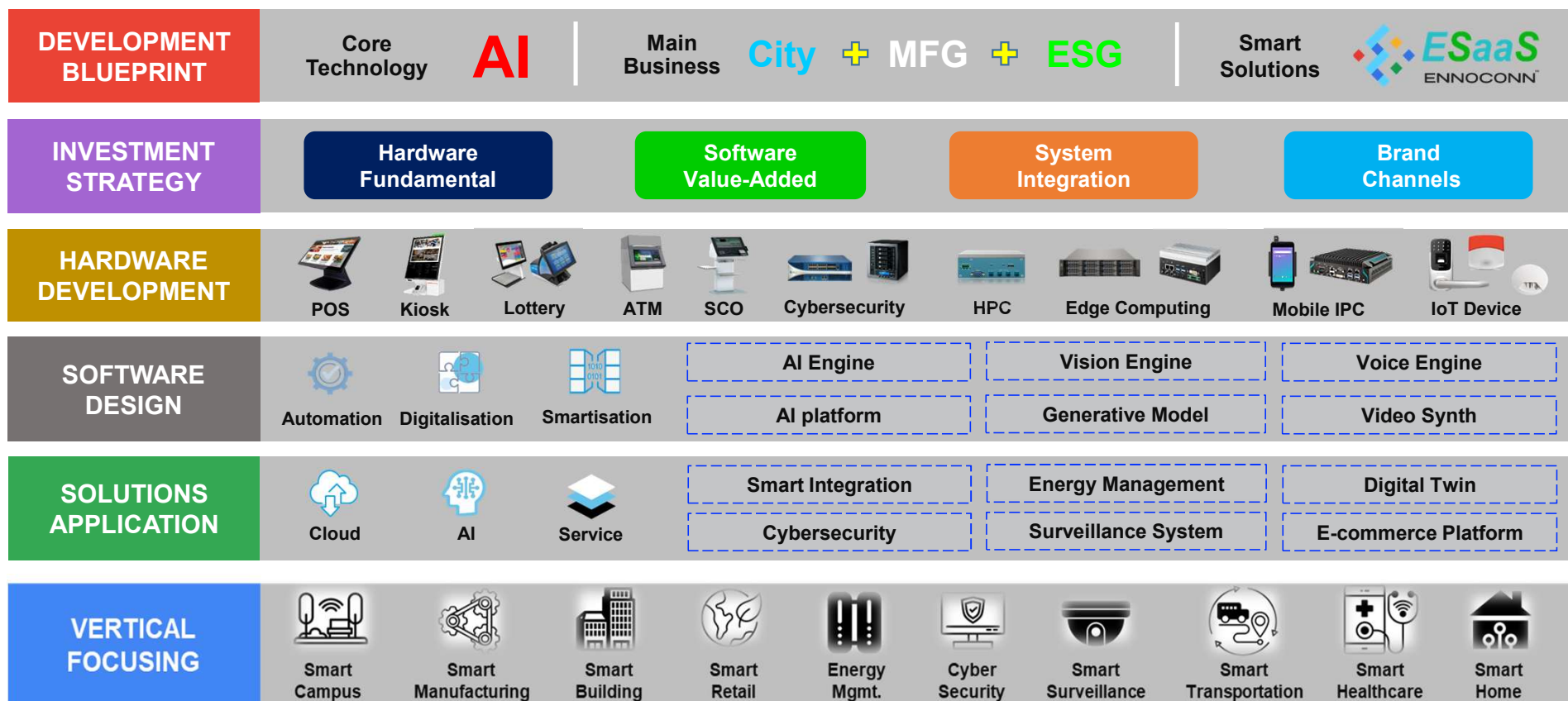


# 2024 Taiwan Top 2000 Companies: 37th





# ENNOCONN AIOT SMART SOLUTIONS (6,000+ ENGINEERS)



# NERA - TRANSFORMATION



**IT to ... OT**

*Information technology*

*Operational Technology*

**Expansion of Company  
Technical Fields**

**SI to ... Solution**

*System Integration*

*Domain solutions*

**Transform into  
Solution Provider Company**

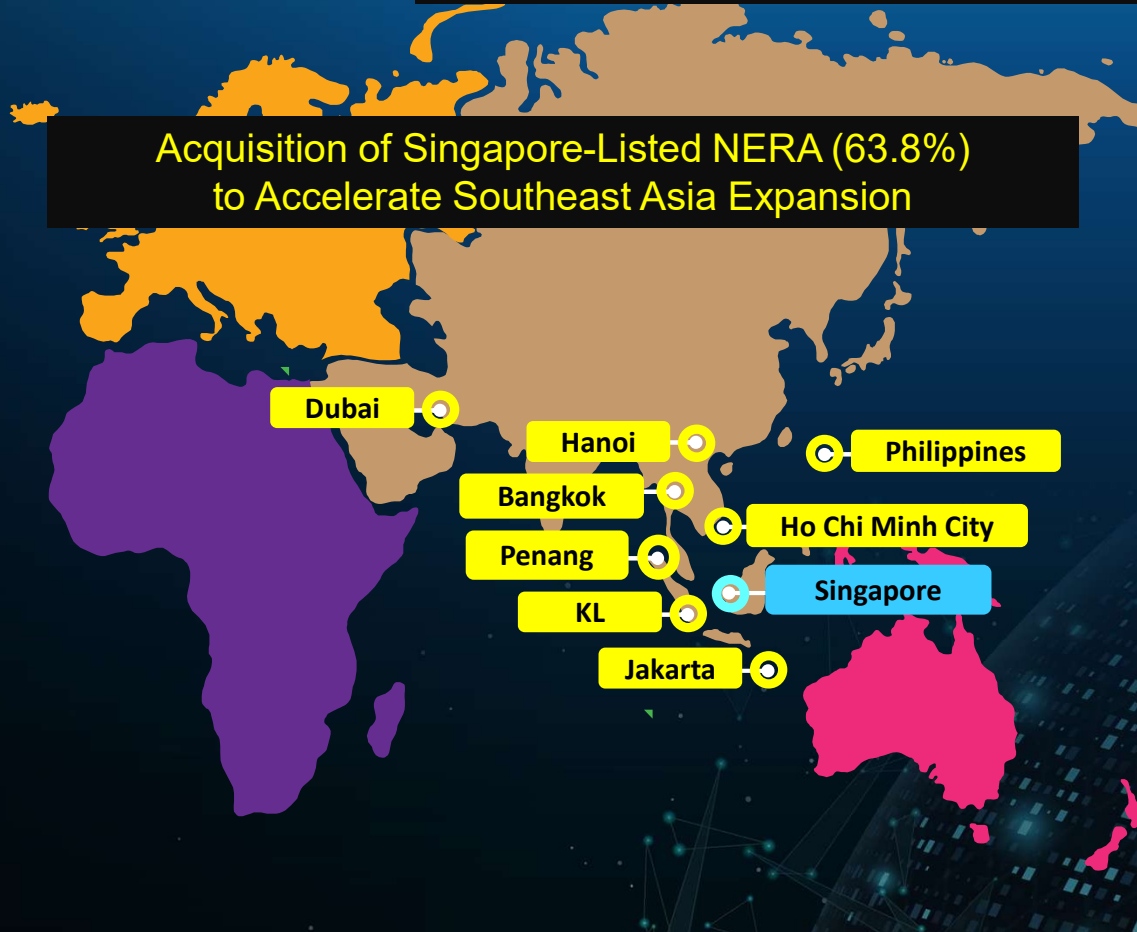


**Smart Building / Park / ESG / Security/ Medical/ Manufacture**

# ESaaS Expansion in Southeast Asia

Establishing a Second Headquarters in Singapore  
(100%) for Asian Overseas Investments

Acquisition of Singapore-Listed NERA (63.8%)  
to Accelerate Southeast Asia Expansion



Smart City

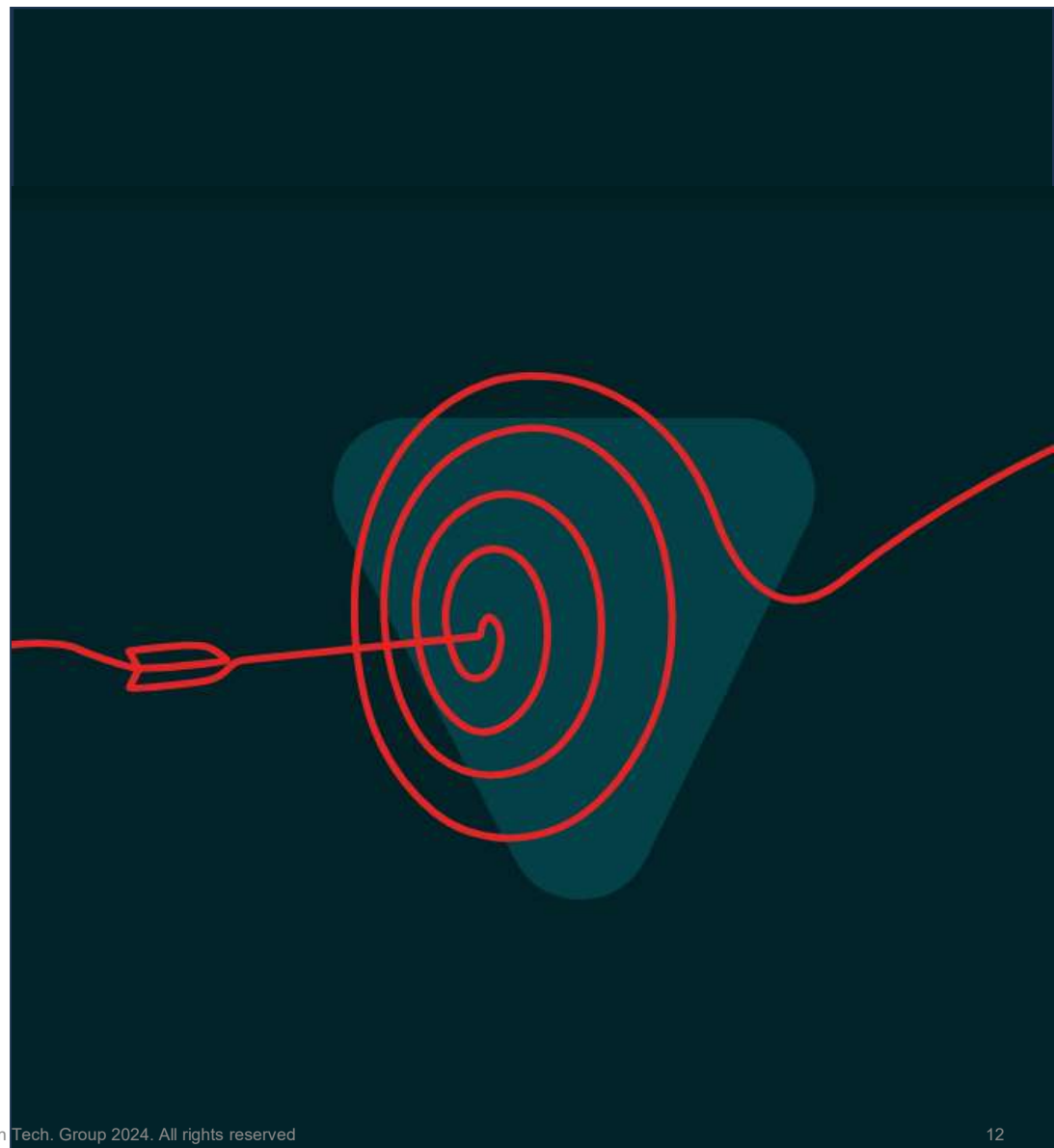


Smart Manufacturing



ESG

# FINANCIAL HIGHLIGHTS



# 2024 Financial Highlights

Neratel

**24 vs. 23**

- ① **2024** Revenue declined 30.7%
- ② **Gross Profit Margin (%)** improved 12.7%
- ③ **OPEX** reduced 7.2%

Revenue



- **24 vs. 23 , \$98.2M vs \$141.7M** , Low opening backlog and a slower-than-expected order intake conversion rate in 2024

Gross Profit



- **24 vs. 23 , \$24.4M vs \$31.2M** , Inline with lower recorded FY24 revenues

Gross Profit Margin %



- **24 vs. 23 , 24.8% vs 22%** , This highlights the success of our strategic focus on higher-margin deals and stronger cost management efforts.

OPEX



- **24 vs. 23 , \$28.2M vs \$30.4M** , Good cost discipline and a rationalization of headcount and cost control measures has resulted in a reduction in operating expense

Debt



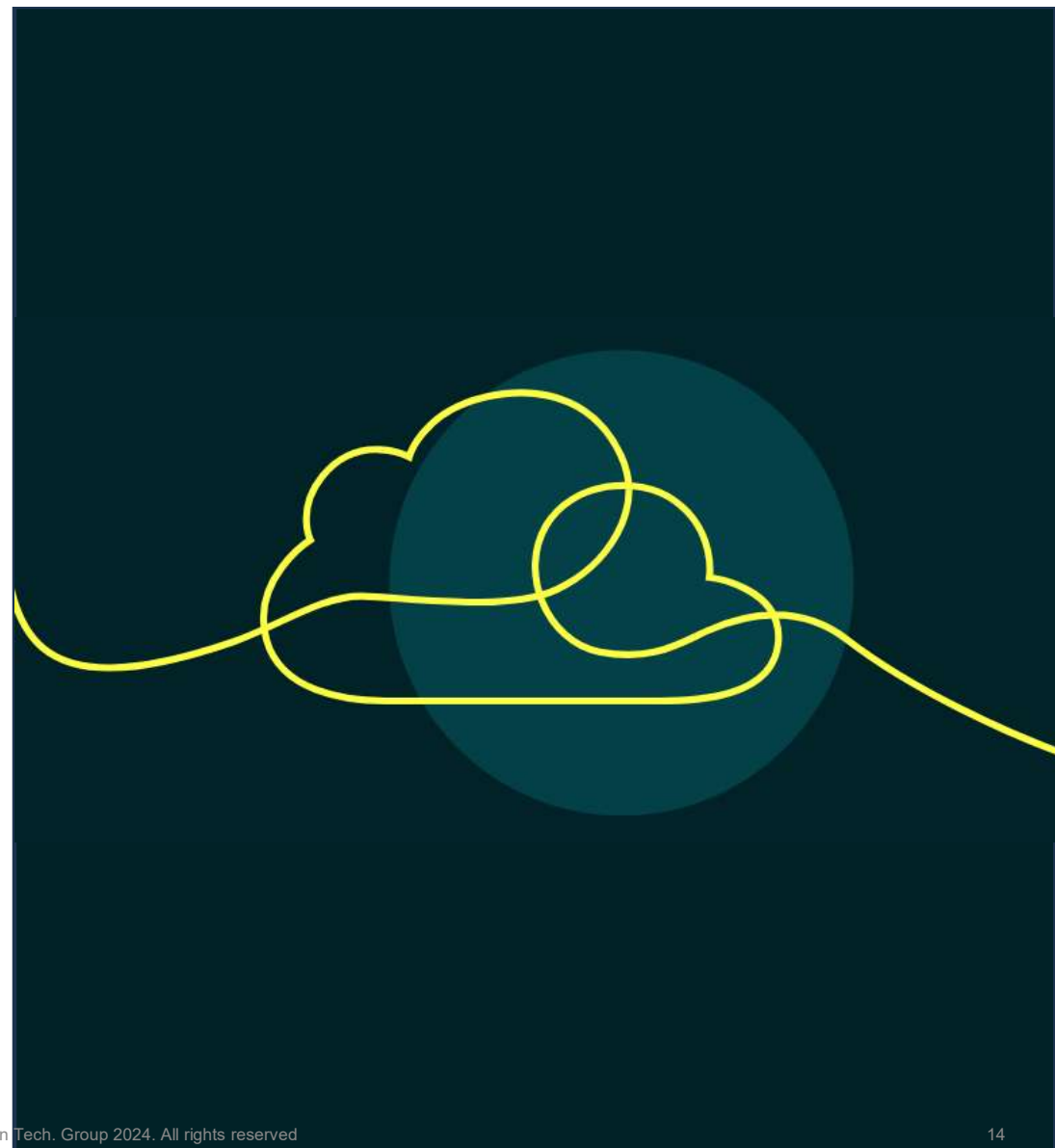
- **24 vs. 23 , \$9.1M vs \$12M** , Borrowings reduced sharply from \$32M in FY21 to just \$9.1M in FY24

PBT



- **24 vs. 23 , (\$4M) vs \$3.7M** , Inline with lower recorded FY24 revenues

# OUTLOOK & STRATEGIES

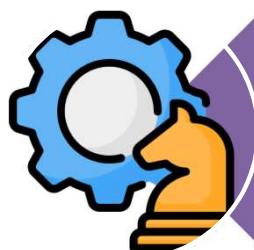


# GOALS, STRATEGY & PLANS



## Goal

- Stem out decline & restore the business to health
- Evolution of Nera's traditional business from a product to a solution play



## Strategy

- Rationalising / realigning resources to more profitable businesses
- Enhance efficiency & productivity by further optimising processes
- Exercise prudence and prioritise investments



## Plan

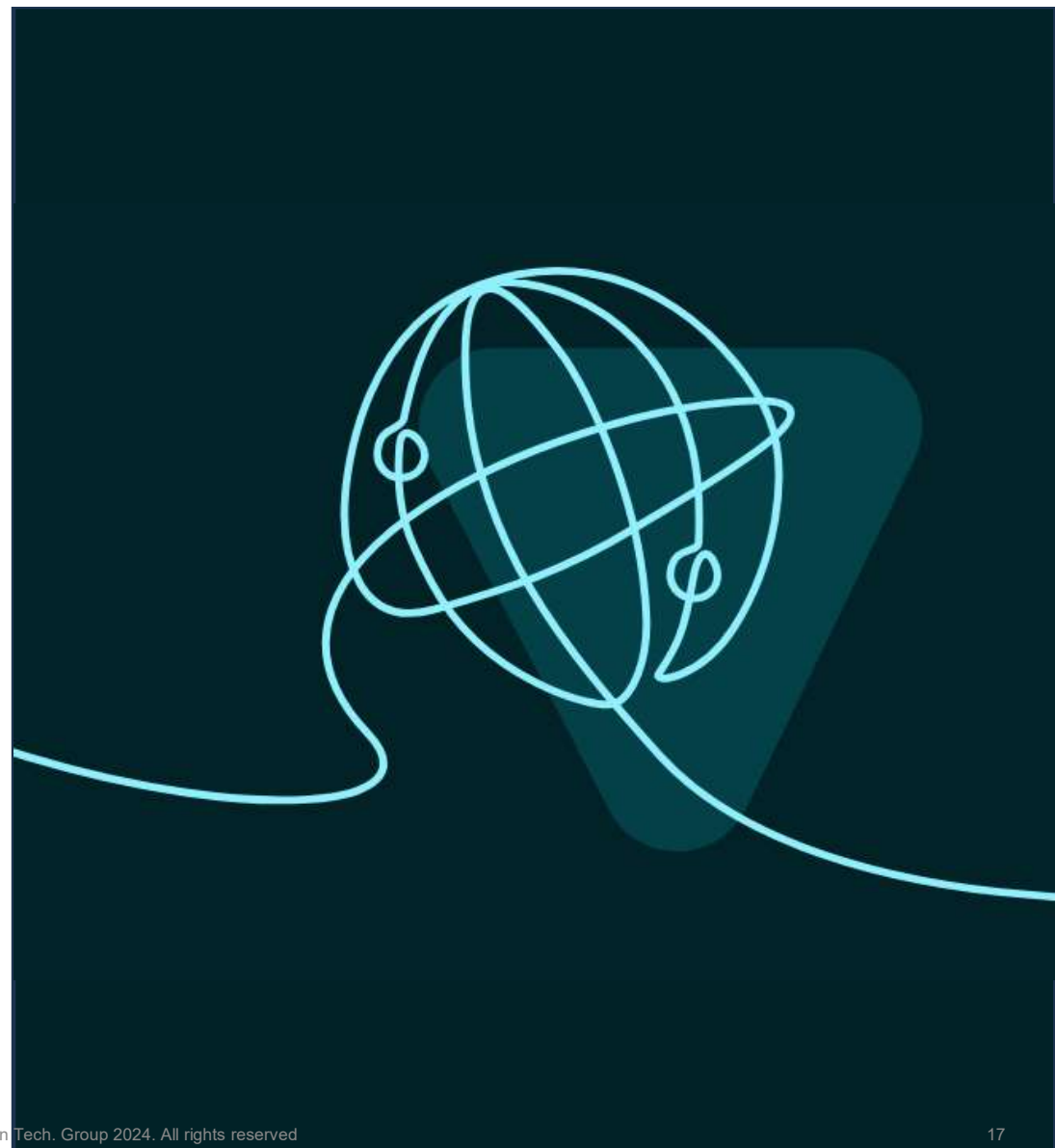
- Secure and upsell to customer base and subsequently expand this
- Standardise product/solution offerings across the Group to achieve economies of scale, strengthen bargaining power and improve profit margins
- Recruit / Identify partners to patch gap in skillset and amplify sales motion

# STRENGTHS, CHALLENGES & OPPORTUNITIES





# IN CONCLUSION



# IN CONCLUSION

NeraTel

**2025**

Goal

- Stem the decline and improve business health

Opportunities

- Our core markets are situated in the high-growth ASEAN region, presenting significant opportunities for further expansion and development

Nera 2.0

- Leveraging Ennoconn's intellectual properties enables us to quickly align with market trends and distinguish ourselves from the competition

Customer Base

- Secure and expand on our long-standing customer base

Global Footprint

- Our diversified global presence provides us the opportunity to drive high-impact offerings at scale