

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

Minutes of the Annual General Meeting (the “**AGM**” or “**Meeting**”) of the Company held at Temasek Club, 131 Rifle Range Road, Singapore 588406 on Friday, 28 April 2023 at 4.00 p.m.

PRESENT

Board of Directors

Dr Lim Puay Koon	Independent Director and Non-Executive Chairperson
Mr Chong Hoi Ming	Executive Director and Chief Executive Officer
Mr Basil Chan	Independent Director
Mr Tommy Teo Zhi Zhuang*	Non-Executive Director
Mr Wong Chee-Yann	Non-Executive Director

Absent with Apologies

Ms Kay Pang Ker-Wei	Independent Director
---------------------	----------------------

Shareholders / Proxies / Invitees

As per attendance lists.

In Attendance

As per attendance lists.

Due to the restriction on the use of personal data pursuant to the provisions of the Personal Data Protection Act 2012, the names of the shareholders and proxies present at the meeting will not be published in these minutes.

** participated via electronic means.*

CHAIRPERSON

The Chairperson of the Board of Directors, Dr Lim Puay Koon, chaired the AGM. The Chairperson welcomed all shareholders present at the AGM and introduced the Directors and Management to the shareholders.

QUORUM

The Secretary confirmed that the quorum was present and the Chairperson called the meeting to order.

AGM PRESENTATION

The Meeting began with an introduction video about the history and background of the Company.

Mr Chong Hoi Ming, the Executive Director and Chief Executive Officer (“**CEO**”) of the Company gave a presentation to the shareholders on the business and development of the Company and its subsidiaries (collectively, the “**Group**”) for the financial year ended 31 December 2022 (“**FY2022**”) covered the Business overview; the Group’s financial performance for FY2022; Outlook and Corporate Strategies for 2022.

NOTICE

With the consent of the Meeting, the notice convening the AGM dated 13 April 2023 published on the SGXNet and the Company’s corporate website, was taken as read.

The Chairperson informed the shareholders that all resolutions to be passed at the Meeting would be voted on by poll. Polling shall be conducted electronically via a wireless handheld device.

The Chairperson further informed that Corporate Republic Advisory Pte. Ltd. (“**Scrutineer**”) has been appointed as Scrutineer and Boardroom Corporate & Advisory Services Pte. Ltd. (“**Polling Agent**”) has been appointed as Polling Agent for the polling process at the Meeting.

The Scrutineer invited the Polling Agent to present a short video explaining the voting process. A test resolution was conducted for shareholders to be familiarised with the voting process.

The Chairperson informed that in his capacity as the Chairperson of the AGM, he had been appointed as proxy by a number of shareholders and would be voting in accordance with their instructions.

Shareholders noted that the Company had allowed shareholders to submit their questions in relation to the agenda of the AGM via email in advance and had on 23 April 2023 announced on the SGXNET that there were no questions received from shareholders prior to the AGM.

The Chairperson proceeded with the business of the AGM.

ORDINARY BUSINESS

ORDINARY RESOLUTION 1 - ADOPTION OF AUDITED FINANCIAL STATEMENTS FOR FY2022 TOGETHER WITH THE DIRECTORS’ STATEMENT AND THE INDEPENDENT AUDITOR’S REPORT THEREON

The first item on the agenda was to receive and adopt the Directors’ Statement and Audited Financial Statements of the Company for FY2022 together with the Independent Auditor’s Report thereon.

As the motion had been duly proposed and seconded, the Chairperson proceeded to address the questions which were raised by shareholders in relation to the resolution.

Shareholder A noted the Group has reported losses for the past two financial years and asked whether the Group would be profitable for the financial year ending 31 December 2023 and avoid being placed on the SGX Watchlist. The CEO replied that various initiatives and corporate strategies have been implemented over the years to transform the Company as

highlighted in his earlier presentation. The corporate strategies including focusing on key customers; improving project quality; moving up the value chain by offering higher-margin products and services; building up talent pools; and improving internal efficiencies by reducing outsourcing costs. The Group expect these strategies would produce a favourable result.

Shareholder A noted high impairment on receivables was recorded for FY2022 and asked if any action has been taken to recover the debts. The CEO replied that as announced via SGX in the previous year, the Company has initiated a number of legal actions against debtors to recover long overdue debts and these legal proceedings were ongoing.

Shareholder A shared his concern on the economic situation in Pakistan and enquired whether any impact on the business in Pakistan market. The CEO shared that the Group's operation in Europe, the Middle East, and Africa (which include Pakistan, Dubai, and Africa) countries remain active.

To the query of Shareholder A on how the Group's response to mitigate foreign exchange loss, the CEO explained that forex exposure is unpredictable and the unrealised forex losses recorded were mainly attributed to Singapore Dollar strengthened significantly against the Indonesian rupiah, Philippine peso and the Pakistani rupee.

Shareholder A also enquired the status of legal proceedings with Sandvine Corporation. The CEO informed the Meeting that the said arbitration proceedings was closed since 2021 and there were no outstanding issues against the Company.

Shareholder A sought clarification whether the tax liabilities issued to the Company's subsidiaries were paid by the subsidiaries or borne by the Group. Ms Jacqueline Tan, the Chief Financial Officer ("**CFO**") of the Company explained that the tax liabilities were related to one of the Company's subsidiaries and was paid by the concerned subsidiary. She added that such amount would also be reflected in the financial results at Group level.

Shareholder A further enquired if the Company expects to declare dividends next year. The CEO responded that the management team would consider recommending dividends if the Company's business is back on track as the key priority was to bring the Company back to profitability.

Shareholder B asked what is the CEO's vision for the Company under his leadership. The CEO shared that he valued the Company's core competencies and recognition from customers that kept the Company in the industry for the past 45 years despite all the challenges it faced. He emphasised that the Company is currently going through a transformation phase in rebuilding Nera's brand, developing right competencies and internal talent pools, and foster the right spirit in driving this transformation to build a sustainable company. He added that only time would tell whether the efforts would produce results, but the management team has high aspiration and is determined to strive on.

To the query of Shareholder B, the CEO informed the Meeting that the sale of 109 Defu Lane 10 was completed in January 2023 and the new headquarter is located at 19 Tai Seng Avenue, occupying an entire floor of approximately 25,000 sqft in a building owned by ESR-LOGOS REIT. The CEO pointed out that the sale of 109 Defu Lane 10, where the Company had been operating for the last 25 years was part of the corporate strategies to unlock property value. In addition, the renovation cost will be high if the Company were to upgrade facilities in the old

building. He further shared that the Group has seen employee productivity and morale increase in the new refreshed office. Furthermore, the staff internal collaboration improved significantly as compared to the previous premise as our operations then were split between the 3 floors of the office.

Shareholder A asked the rental cost for the new location. The CFO replied that the office rental rate quoted was approximately S\$2 per square foot and the payment over the lease terms split into financial and non-financial portions, amounting to a total of S\$1.6 million per annum (including renovation cost and depreciation).

As there were no further questions for Resolution 1, the Chairperson of the Meeting put the motion to vote by poll. Shareholders were given 15 seconds to finalise and cast their votes on the wireless handheld device.

The results on the vote by way of poll were as follows:

	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		No. of Shares	As a percentage of total number of votes for and against the resolution (%)	No. of Shares	As a percentage of total number of votes for and against the resolution (%)
<u>Resolution 1</u> To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Directors' Statement and the Independent Auditor's Report thereon.	199,285,939	199,285,939	100.00	0	0.00

The Chairperson declared Ordinary Resolution 1 carried and it was RESOLVED:

"That Audited Financial Statements the Company for the financial year ended 31 December 2022 together with the Directors' Statement and the Independent Auditor's Report thereon be received and adopted".

ORDINARY RESOLUTION 2 - RE-ELECTION OF MR TOMMY TEO ZHI ZHUANG

It was noted that in accordance with the provisions of the Constitution of the Company, Mr Tommy Teo Zhi Zhuang would retire at the Meeting and being eligible, had offered himself for re-election. It was further noted that Mr Teo, if re-elected, would remain as a member of the Audit and Risk Management Committee and be considered a Non-Independent and Non-Executive Director.

The motion to re-elect Mr Teo as a Director was duly proposed and seconded.

There being no questions from the shareholders, the motion was put to vote by poll. Shareholders were informed to cast their votes on the wireless handheld device. The voting results of the poll were as follows:

	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		No. of Shares	As a percentage of total number of votes for and against the resolution (%)	No. of Shares	As a percentage of total number of votes for and against the resolution (%)
<u>Resolution 2</u> To re-elect Mr Tommy Teo Zhi Zhuang as Director.	199,553,939	199,553,939	100.00	0	0.00

The Chairperson declared Ordinary Resolution 2 carried and it was RESOLVED:

“That Mr Tommy Teo Zhi Zhuang be re-elected as a Director of the Company.”

ORDINARY RESOLUTION 3 - RE-ELECTION OF MR CHONG HOI MING

It was noted that in accordance with the provisions of the Constitution of the Company, Mr Chong Hoi Ming would retire at the Meeting and being eligible, had offered himself for re-election. It was further noted that Mr Chong, if re-elected, would remain as the Executive Director and Chief Executive Officer of the Company.

The motion to re-elect Mr Chong as a Director was duly proposed and seconded.

There being no questions from the shareholders, the motion was put to vote by poll. Shareholders were informed to cast their votes on the wireless handheld device. The voting results of the poll were as follows:

	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		No. of Shares	As a percentage of total number of votes for and against the resolution (%)	No. of Shares	As a percentage of total number of votes for and against the resolution (%)
<u>Resolution 3</u> To re-elect Mr Chong Hoi Ming as Director.	198,685,939	198,685,939	100.00	0	0.00

The Chairperson declared Ordinary Resolution 3 carried and it was RESOLVED:

“That Mr Chong Hoi Ming be re-elected as a Director of the Company.”

ORDINARY RESOLUTION 4 - RE-ELECTION OF MS KAY PANG KER-WEI

It was noted that in accordance with the provisions of the Constitution of the Company, Ms Kay Pang Ker-Wei would retire at the Meeting and being eligible, had offered herself for re-election. It was further noted that Ms Pang, if re-elected, would remain as the Chairperson of the Nominating Committee and a member of the Remuneration Committee, and be considered

Independent for the purpose of Provision 2.1 of Principle 2 of the Code of Corporate Governance 2018.

The motion to re-elect Ms Pang as a Director was duly proposed and seconded.

There being no questions from the shareholders, the motion was put to vote by poll. Shareholders were informed to cast their votes on the wireless handheld device. The voting results of the poll were as follows:

	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		No. of Shares	As a percentage of total number of votes for and against the resolution (%)	No. of Shares	As a percentage of total number of votes for and against the resolution (%)
<u>Resolution 4</u> To re-elect Ms Kay Pang Ker-Wei as Director.	198,565,939	198,565,939	100.00	0	0.00

The Chairperson declared Ordinary Resolution 4 carried and it was RESOLVED:

“That Ms Kay Pang Ker-Wei be re-elected as a Director of the Company.”

ORDINARY RESOLUTION 5 - PAYMENT OF DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2023

It was noted that Resolution 5 was to seek shareholder's approval on payment of Directors' fees of S\$301,000 for the financial year ending 31 December 2023, to be paid quarterly in arrears.

The Chairperson informed shareholders that the Directors' fees have not been adjusted since 2013. To ensure that remuneration of Non-Executive Directors is set at a level which is fair and reflective of their current role and responsibilities, the Company has engaged a third-party remuneration consultant, to review and make recommendations on the remuneration framework and level of Directors' fees for the Non-Executive Directors. The proposed framework for Non-Executive Directors' fees for the financial year ending 31 December 2023 was set out in the Corporate Governance Report on pages 50 and 51 of the Annual Report.

He further informed that the Board concurred with the Remuneration Committee that the proposed Directors' fees is appropriate and not excessive taking into account factors such as effort and time spent for serving on the Board and Board committees, and the increasingly onerous responsibilities of the Directors. The Board recommended the shareholders to vote in favour of this resolution.

The motion was duly proposed and seconded.

There being no questions from the shareholders, the motion was put to vote by poll. Shareholders were informed to cast their votes on the wireless handheld device. The voting results of the poll were as follows:

	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		No. of Shares	As a percentage of total number of votes for and against the resolution (%)	No. of Shares	As a percentage of total number of votes for and against the resolution (%)
<u>Resolution 5</u> To approve the payment of Directors' fees of S\$301,000 for the financial year ending 31 December 2023, to be paid quarterly in arrears.	198,565,939	198,565,939	100.00	0	0.00

The Chairperson declared Ordinary Resolution 6 carried and it was RESOLVED:

"That the Directors' fees of S\$301,000 for the financial year ending 31 December 2023 be approved."

ORDINARY RESOLUTION 6 - RE-APPOINTMENT OF MESSRS ERNST & YOUNG LLP AS AUDITORS

Resolution 6 was on the Re-Appointment of Messrs Ernst & Young LLP to hold office until the conclusion of the next annual general meeting of the Company at a remuneration to be fixed by the directors of the Company.

The shareholders were informed that Messrs Ernst & Young LLP had indicated their willingness to continue in office as Auditors of the Company.

The motion was duly proposed and seconded.

There being no questions from the shareholders, the motion was put to vote by poll. Shareholders were informed to cast their votes on the wireless handheld device. The voting results of the poll were as follows:

	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		No. of Shares	As a percentage of total number of votes for and against the resolution (%)	No. of Shares	As a percentage of total number of votes for and against the resolution (%)
<u>Resolution 6</u> To re-appoint Messrs Ernst & Young LLP as Auditors and to authorise the Directors to fix their remuneration	198,565,939	198,287,739	99.86	278,200	0.14

The Chairperson declared Ordinary Resolution 6 carried and it was RESOLVED:

"That Messrs Ernst & Young LLP be re-appointed as Auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and that the Directors be authorised to fix their remuneration."

SPECIAL BUSINESSES

ORDINARY RESOLUTION 7 - AUTHORITY TO ISSUE SHARES

It was noted that the Resolution 7, if approved would empower the Directors to issue shares and convertible securities in the Company pursuant to Section 161 of the Singapore Companies Act 1967 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The motion to authorise Directors to allot and issue shares was duly proposed and seconded.

There being no questions from the shareholders, the motion was put to vote by poll. Shareholders were informed to cast their votes on the wireless handheld device. The voting results of the poll were as follows:

	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		No. of Shares	As a percentage of total number of votes for and against the resolution (%)	No. of Shares	As a percentage of total number of votes for and against the resolution (%)
<u>Resolution 7</u> To authorise Directors to allot and issue shares.	196,513,939	196,235,739	99.86	278,200	0.14

Based on the results, the Chairperson declared Ordinary Resolution 7 carried and it was **RESOLVED**:

“That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Rules of the Singapore Exchange Securities Trading Limited, the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant

to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and shares (if any) held by a subsidiary) of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and shares (if any) held by a subsidiary of the Company (as calculated in accordance with sub-paragraph (2) below);

- (2) (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares shall be based on the total number of issued shares (excluding treasury shares and shares (if any) held by a subsidiary of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of any convertible securities;
 - (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.”

ORDINARY RESOLUTION 8 - AUTHORITY TO GRANT AWARDS AND ISSUE SHARES UNDER THE PERFORMANCE SHARE PLAN

Resolution 8 was to grant awards and issue shares under the Performance Share Plan.

The shareholders were informed that the Group Executives and Associated Company Executives, who are shareholders of the Company, have abstained from voting on this resolution.

The motion to authorise Directors to grant award and issue shares under the Performance Share Plan was duly proposed and seconded.

Shareholder A asked who the eligible employees are receiving the Performance Shares. The Chairperson informed that the Company has yet to award any shares. The purpose of passing this resolution was to seek approval from shareholders to authorise the Directors to grant awards and issue shares in accordance with the Performance Share Plan.

There being no further questions from the shareholders, the motion was put to vote by poll. Shareholders were informed to cast their votes on the wireless handheld device. The voting results of the poll were as follows:

	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		No. of Shares	As a percentage of total number of votes for and against the resolution (%)	No. of Shares	As a percentage of total number of votes for and against the resolution (%)
<u>Resolution 8</u> To authorise Directors to grant award and issue shares under the Performance Share Plan	196,510,939	196,217,739	99.85	293,200	0.15

Based on the results, the Chairperson declared Ordinary Resolution 8 carried and it was **RESOLVED**:

“That approval be and is hereby given to the Directors to grant awards in accordance with the provisions of the Nera Telecommunications Performance Share Plan 2014” (the “**Share Plan**”) to allot and issue from time to time such number of shares in the capital of the Company as may be required to be delivered pursuant to the vesting of awards under the Share Plan, provided that the aggregate number of new shares allotted and issued and/or to be allotted and issued and issued shares (including treasury shares) delivered or to be delivered pursuant to the awards granted under the Share Plan shall not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time, and that such authority, shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.”

CONCLUSION

There being no other business, the Chairperson thanked all present for their attendance and declared the meeting closed at 5.03 pm.

Confirmed as a correct record of
the proceeding of the meeting

Dr. Lim Puay Koon
Chairperson