



**SERIAL SYSTEM LTD**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199202071D)  
(the “Company”)

---

**ACQUISITION IN SG NETWORKS PTE. LTD.**

---

1. The board of directors (“**Board**”) of Serial System Ltd. (the “**Company**”) is pleased to announce that its wholly-owned Singapore subsidiary, Serial System International Pte. Ltd. (“**Serial System International**”) has acquired a 55% equity interest in a newly incorporated company known as **SG Networks Pte. Ltd.** (Singapore Company Registration No. 201937657M), a company incorporated in Singapore and having its registered office at 12 Kaki Bukit View Singapore 415948 (“**SGN**”).
2. The principal activities of SGN include infra-structure projects for telecommunications (fixed lines and 3G/4G/5G mobile lines), security (such as CCTV cabling works and installation of CCTV equipment) and power lines. The transaction is part of the corporate strategy of the Company for long term growth to provide shareholders with diversified returns. The Board believes that this transaction may provide new market opportunities and additional income streams for the Group with a view to enhancing shareholders’ value over the long term.
3. The issued and paid-up capital of SGN is **S\$100,000 (US\$73,421)** comprising 100,000 ordinary shares at S\$1 each. Other than the 55% equity interests comprising 55,000 ordinary shares and amounting to **S\$55,000 (US\$40,382)** held by Serial System International, the remaining 45% equity interests are individually held by two (2) Singapore individuals, Mr. Ling Ting Ming and Mr. Goh Way Siong, holding 40,000 ordinary shares (amounting to **S\$40,000 (US\$29,368)**) and 5,000 ordinary shares (amounting to **S\$5,000 (US\$3,671)**) respectively.
4. The board of directors of SGN consists of three (3) directors, namely Mr. Goh Su Teng (Wu Shuzhen), the Group Chief Operating Officer, who was nominated by Serial System International, Mr. Ling Ting Ming and Mr. Goh Way Siong.
5. The total investment of **S\$55,000 (US\$40,382)** in SGN by Serial System International will be funded through internal resources. The investment is not expected to have any material impact on the net tangible assets and earnings per share of the Company and the Group for the current financial year ending 31 December 2020.
6. None of the Directors or controlling shareholders (as defined in the Listing Manual) of the Company has any interest, direct or indirect, in the above transactions, other than through their respective shareholdings in the Company.

**BY ORDER OF THE BOARD**

**Dr. Derek Goh Bak Heng**  
Executive Chairman and Group CEO  
21 February 2020