



("the **Company**")

(Registration No. 199202071D)

(Incorporated in the Republic of Singapore on 22 April 1992)

INCREASE IN PAID UP SHARE CAPITAL OF A SUBSIDIARY / INCORPORATION OF A SUBSIDIARY

The board of directors ("**Board**") of Serial System Ltd ("**Company**") and its subsidiaries ("**Group**") wishes to announce the following :-

- (1) The Group's 65% owned subsidiary, SB Global Ventures Pte. Ltd. ("**SB Global**") has fully subscribed to its entitlement of 69,300 new ordinary shares issued by its 70% owned Singapore subsidiary, URG Pte. Ltd. ("**URG**"). The balance of 29,700 new ordinary shares issue were taken up by the other non-controlling interest of URG. The total consideration of S\$69,300 (US\$49,713) was funded through internal resources. URG has increased its paid up share capital from S\$1,000 (US\$717), comprising 1,000, ordinary shares to S\$100,000 (US\$71,736), comprising 100,000 ordinary shares, pursuant to the issuance of 99,000 new ordinary shares. The capital increase is to strengthen the financial position of URG. The Group has an effective equity interest in URG of 45.5% before and after the new shares issue.
- (2) The Group's wholly owned Malaysia subsidiary, Achieva Technology Sdn. Bhd. has incorporated a 100% owned subsidiary, Straitsmart Sdn. Bhd. ("**Straitsmart**"), a company incorporated in Malaysia with a paid up capital of MYR 1.00 (US\$0.23) comprising 1 ordinary share. Straitsmart's principal activity is the trading and distribution of consumer products.

The above transactions are not expected to have any material financial impact on the net tangible assets per share and earnings per share of the Company and the Group for the financial year ending 31 December 2020.

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

Derek Goh Bak Heng

Executive Chairman and Group CEO

17 July 2020