



(Registration No. 199202071D)

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

---

**ANNOUNCEMENT PURSUANT TO RULE 706A OF THE LISTING MANUAL OF SINGAPORE  
EXCHANGE SECURITIES TRADING LIMITED**

---

Pursuant to Rule 706A of the Listing Manual of Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), the Board of Directors (the “**Board**”) of Serial System Ltd. (the “**Company**”) and its subsidiaries (the “**Group**”) wishes to announce the following transactions that occurred in respect of the period from 24 February 2021 to 13 August 2021:

**(1) ACQUISITION OF A NEWLY INCORPORATED SUBSIDIARY**

The Group’s wholly-owned subsidiary, SerialTec Pte. Ltd. has acquired a 100% equity interest in a newly incorporated company in Japan known as SerialTec (Japan) Co., Ltd (“**SerialTec Japan**”) on 5 April 2021, with a paid up capital of JPY 10,000,000 (US\$90,400), comprising 100,000 ordinary shares. The paid up capital was fully funded in cash via internal resrouces. SerialTec Japan’s principal activity is the trading and distribution of electronic consumer products, information technology, computer peripheral parts, software and related products.

The transaction is 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 2021.

None of the Directors and to the best of the Directors’ knowledge, none of the controlling shareholders (as defined in the Listing Manual) of the Company has any interest, direct or indirect in the transaction, save in respect of their respective shareholdings (if any) in the Company.

**(2) INCREASE IN INVESTMENT IN A SUBSIDIARY**

The Company’s wholly-owned subsidiary, Serial System International Pte. Ltd. (“**SSIPL**”) has increased its investment in its Singapore subsidiary, SB Global Ventures Pte. Ltd. (“**SB Global**”) from 60% to 85% via the purchase of an additional 25 ordinary shares of SB Global at a consideration of US\$1.00 from a non-controlling shareholder on 1 June 2021. The net liabilities of SB Global based on the unaudited management accounts as at 31 May 2021 was US\$367,000.

The transaction is 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 2021.

None of the Directors and to the best of the Directors’ knowledge, none of the controlling shareholders (as defined in the Listing Manual) of the Company has any interest, direct or indirect in the transaction, save in respect of their respective shareholdings (if any) in the Company.

### **(3) CAPITAL REDUCTION OF A SUBSIDIARY**

The Company's wholly owned Singapore subsidiary, Uniserial Electronics Pte. Ltd. ("Uniserial"), has undertaken a capital reduction exercise ("Capital Reduction") to reduce its issued and paid up share capital from US\$1,000,000 to US\$50,000 by way of returning US\$850,000 to the Company and cancelling US\$100,000 which had been lost and unrepresented by available assets.

The transaction is 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 2021.

None of the Directors and to the best of the Directors' knowledge, none of the controlling shareholders (as defined in the Listing Manual) of the Company has any interest, direct or indirect in the transaction, save in respect of their respective shareholdings (if any) in the Company.

### **(4) PLACEMENT OF AN AGGREGATE OF 9,000,000 TREASURY SHARES IN THE CAPITAL OF THE COMPANY**

The Company has on 13 July 2021, sold by way of placement of 9,000,000 ordinary shares in the capital of the Company from its treasury shares to three unrelated corporations at a placement price of S\$0.15 (US\$0.11) per ordinary share totalling S\$1,350,000 (US\$1,004,000).

The Company's treasury shares reduced from 9,946,000 ordinary shares to 946,000 ordinary shares following the placement.

Please refer to SGX Announcements dated 12 July 2021 and 13 July 2021 for more information.

### **(5) UTILIZATION OF PROCEEDS FROM THE PLACEMENT OF AN AGGREGATE OF 9,000,000 TREASURY SHARES IN THE CAPITAL OF THE COMPANY**

On 5 August 2021, the Company had utilised approximately S\$1,158,000 (US\$855,000) of the net proceed of S\$1,350,000 (US\$1,004,000) to invest in a convertible loan in Transwap Private Limited, a Singapore incorporated fintech company, pursuant to a convertible loan agreement dated 5 August 2021. The utilisation of the net proceed is in line with its intended use.

Please refer to SGX Announcement dated 5 August 2021 for more information.

### **BY ORDER OF THE BOARD**

**Derek Goh Bak Heng**

Executive Chairman and Group CEO

13 August 2021