



(Company Registration No.: 199202071D)
(Incorporated in the Republic of Singapore on 22 April 1992)

THE PROPOSED DISPOSAL BY THE GROUP OF THE ENTIRE SHAREHOLDING INTEREST IN ACHIEVA TECHNOLOGY SDN. BHD. – UPDATE ON THE PROPOSED DISPOSAL

1. INTRODUCTION

- 1.1 The Board of Directors (the "**Board**") of Serial System Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") refers to:
- (i) the Company's announcements made on 2 September 2022 (the "**Disposal Announcement**") and 3 April 2023 in respect of the SPA and the amendment letter dated 3 April 2023 thereto (the "**Amendment Letter**") entered into by SIFE and the Purchaser; and
 - (ii) the Company's announcement made on 17 November 2022 in respect of the Company's consultations with the SGX-ST and the requirement for shareholders' approval of the Proposed Disposal.
- 1.2 Capitalised terms not defined in this announcement have the meanings set out in the Disposal Announcement.

2. RECEIPT OF WHITEWASH WAIVER

- 2.1 The Board wishes to update the Company's shareholders that the SIC had, on 26 May 2023, waived the requirement for the Company to make a mandatory general offer under Rule 14 of the Code in connection with the issue of the Consideration Shares to the Company in connection with the Proposed Disposal, subject to the following conditions:
- 2.1.1 a majority of holders of voting rights of the Purchaser approve at the EGM, before the issue of the Consideration Shares to the Company, a resolution by way of poll to waive their rights to receive a general offer from the Company (the "**Proposed Whitewash Resolution**");
 - 2.1.2 the Proposed Whitewash Resolution is separate from other resolutions;
 - 2.1.3 the Company, its concert parties and parties not independent of the Company abstain from voting on the Proposed Whitewash Resolution;
 - 2.1.4 the Company and its concert parties did not acquire and are not to acquire any shares in the capital of the Purchaser ("**Shares**") or instruments convertible into and options in respect of Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares which have been disclosed in the Circular):

- (i) during the period between 2 September 2022 (being the date of the Disposal Announcement) and the date Purchaser shareholders' approval is obtained for the Proposed Whitewash Resolution; and
 - (ii) in the six (6) months prior to 2 September 2022 (being the date of the Disposal Announcement), but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Purchaser in relation to the Proposed Disposal;
- 2.1.5 the Purchaser appoints an independent financial adviser to advise its shareholders who are considered independent for the purpose of the Proposed Whitewash Resolution (the "**Independent Purchaser Shareholders**") on the Proposed Whitewash Resolution;
- 2.1.6 the Purchaser sets out clearly in the Circular:
- (i) details of the Proposed Disposal including the issue of the Consideration Shares;
 - (ii) the dilution effect to existing holders of voting rights of the Purchaser upon the issue of the Consideration Shares and the maximum number of Consideration Shares;
 - (iii) the number and percentage of voting rights in the Purchaser as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares held by the Company and its concert parties as at the latest practicable date of the Circular;
 - (iv) the number and percentage of voting rights to be issued to the Company as a result of the Proposed Disposal;
 - (v) specific and prominent reference to the fact that the issuance of the Consideration Shares would result in the Company holding Shares carrying over 49.0% of the voting rights of the Purchaser, and that the Company and its concert parties will be free to acquire further shares without incurring any obligation under Rule 14 of the Code to make a general offer; and
 - (vi) specific and prominent reference to the fact that Independent Purchaser Shareholders, by voting for the Proposed Whitewash Resolution, are waiving their rights to a general offer from the Company at the highest price paid by the Company and its concert parties for the Shares in the past six (6) months prior to 2 September 2022;
- 2.1.7 the Circular states that the waiver granted by the SIC to the Company from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions stated at paragraphs 2.1.1 to 2.1.6 above;
- 2.1.8 the Company obtains the SIC's approval in advance for those parts of the Circular that refer to the Proposed Whitewash Resolution; and

2.1.9 to rely on the Proposed Whitewash Resolution, the issue of the Consideration Shares under the Proposed Disposal must be completed within three (3) months of 26 May 2023.

3. DISCLAIMER

The Proposed Disposal is subject to numerous conditions by SIFE and the Purchaser. There is no certainty or assurance as at the date of this announcement that the Proposed Disposal will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Derek Goh Bak Heng
Group CEO
8 June 2023