

SERRANO LIMITED

(Company Registration Number 201223004Z)

(Incorporated in the Republic of Singapore on 18 September 2012)

APPROVAL FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) FOR FURTHER EXTENSION OF TIME TO HOLD ANNUAL GENERAL MEETING (“AGM”) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER (“FY”) 2016

The board of directors (the “**Board**” or “**Directors**”) of Serrano Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) refers to the Company’s announcements on 30 June 2017 (the “**Announcement**”), in relation to, *inter alia*, the application by the Company to the SGX-ST for the Further AGM Extension.

Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the Announcement and references therein.

The SGX-ST has on 12 July 2017, informed that it has no objection to granting the Further AGM Extension (the “**Waiver**”), subject to the following:

- (a) the Company making an immediate announcement of the extension granted, disclosing the reasons for seeking the extension and conditions imposed;
- (b) submission of a written confirmation from the Company that the extension does not contravene any laws and regulations governing the Company and the articles of association of the Company; and
- (c) the Company obtaining approval from the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”) for the same extension.

The Company had on 16 June 2017, applied to the SGX-ST for the Waiver on the following bases:-

- “(a) *The Group is presently in financial distress, and, hence, is unable to make payment of the audit fees owing to its auditors, BDO LLP (“**BDO**”). Without the payment of the audit fees by the Group to BDO, BDO would not be able to complete the audit of the Group’s financial statements for FY2016 for inclusion in the Company’s annual report as this would otherwise be a contravention of Section 20 of the Public Accountants Board (Amendment) Rules 2002 of the Accountants Act (Cap. 2), which states that an accounting firm shall ensure that any overdue fees for previous engagements are paid before an audit report is issued; and*
- (b) *As announced by the Company on SGXNET on 13 June 2017, the Investor Due Diligence exercise has identified certain liabilities (including the hire purchase liabilities and professional fees) (the “**Non-Scheme Liabilities**”) which the Lead Investors require such liabilities to be resolved prior to the completion of the Investment Agreement, and, hence, prior to the fulfilment of all the Conditions Precedent under the Schemes by the Effective Date on 3 July 2017. Consequently, the Company is of the view that a further extension of time from 3 July 2017 to 28 September 2017 of the Effective Date of the Schemes is required for both the Company and the Lead Investors to resolve these issues. The Company has thus requested the Scheme Manager to convene the July Scheme Creditors Meeting to be held on 3 July 2017 to seek such an extension.”*

The Company has concurrently submitted the ACRA Application on 16 June 2017. The outcome of the ACRA Application is currently pending. Subject to the outcome of the ACRA Application, the Company will conduct its AGM on or prior to 31 October 2017. The Company will update its shareholders (“**Shareholders**”) via SGXNET on the outcome of the ACRA Application in due course.

Trading in the Company’s securities on the SGX-ST has been voluntarily suspended by the Company since 9.39 a.m. on 16 June 2017.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders are also advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Choh Thian Chee Irving

Independent Chairman

14 July 2017

*This announcement has been prepared by Serrano Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, United Overseas Bank Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).*

The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr David Tham, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.