



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

Profit Guidance for Six Months Ended 30 June 2021 (“1H2021”)

The Board of Directors (“the Board”) of Serial System Ltd (“Serial System”, and together with its subsidiaries, the “Group”) has completed a preliminary review of the unaudited results for the six months ended 30 June 2021 (“1H2021”), and wishes to provide an update to shareholders.

The onset of COVID-19 had disrupted business activities, leading to the Group recording a net loss of US\$4.5 million on revenue of US\$314.3 million for the six months ended 30 June 2020 (“1H2020”). In response to the pandemic and the earlier cessation of its distribution agreement with Texas Instruments – a major supplier – at the end of FY2018, the Group embarked on several business recovery strategies.

These included widening its base of suppliers as well as customers in the electronic components segment, particularly in China; growing its consumer electronics segment in Southeast Asia; and resetting Group-wide cost structure and streamlining efficiencies.

These business recovery efforts are taking place amid an increased demand for semiconductors, particularly in China, as well as growth of the Group’s business activities in consumer electronic products. The efforts to improve internal efficiencies have also contributed to a leaner operating model which is contributing to better margin efficiency.

As a result of these factors, the Group is expected to record a net profit in 1H2021 with the financial performance for this period improving significantly compared to 1H2020. The Group expects to release its unaudited results for 1H2021 on 13 August 2021.

BY ORDER OF THE BOARD

Dr. Derek Goh Bak Heng
Executive Chairman and Group CEO
28 July 2021