Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: Serial Achieva Limited

Stock code: XHV

Meeting details:
Date: 29 Apr 2025
Time: 11.00 a.m.
Venue: 8 Ubi View, #05-01, Serial System Building, Singapore 408554

Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Q1. The company was listed on the Catalist board of the Singapore Exchange on 14 June 2024 via a reverse takeover of Axington Inc.

For the financial year ended 31 December 2024, the group reported revenue of US$79.5 million, up from US$42.8 million in the previous year. However, gross profit rose only marginally from US$1.46 million to US$1.64 million, with gross margin falling from 3.4% to 2.1%.

(Adapted from company annual report)

(i) **Given the structurally low gross margins, can management clarify the group's value proposition in the supply chain? To what extent does the group perform value-added services, or is it competing primarily on price?**

(ii) **Is the group an exclusive or authorised distributor for any of the brands it carries? If not, how does it differentiate itself from other distributors or parallel importers?**

(iii) **What sustainable competitive advantages does the group possess within its distribution model?**

The net operating loss for FY2024 was US$(1.4) million, compared to US$(0.4) million in the previous year. This was due to higher foreign exchange loss (US$685,000), allowances for inventory obsolescence (US$147,000) and corporate office costs.

As a result of the US$(6.1) million loss for the year, the group's equity stood at US$4.4 million as at 31 December 2024.

(iv) **What specific operational and strategic priorities has management set for FY2025 to achieve a turnaround?**

Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Q2. The group has announced a strategic shift from a consumer-focused business model to an enterprise-centric approach. As highlighted in the chairman's message, this pivot includes expanding the product portfolio and growing into new Southeast Asian markets via strategic alliances, mergers, and acquisitions.

(i) **What level of commercial due diligence was conducted before committing to the enterprise segment? What are the total addressable market (TAM) and gross margin expectations for the enterprise segment versus the consumer business?**

(ii) **Has the board evaluated the capital intensity and risk-return profile of this pivot?**

(iii) **What is the market entry strategy? If via M&A, is the target search process supported by professional advisers?**

The profiles of the independent directors can be found on pages 15 and 16.

(iv) **What is the collective experience and domain expertise of the independent directors in enterprise IT and technology distribution? How do they ensure they are adding value to board-level strategy discussions?**

Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Q3. On 17 September 2024, the company incorporated Achieva Tech Allianz Pte. Ltd. ("ATA") as a majority-owned subsidiary (55% stake), in partnership with A-Speed Infotech Pte. Ltd. ("ASP"). The joint venture aimed to deepen the group's exposure to high-performance computing and AI-driven solutions, enabling the delivery of next-generation enterprise technology offerings.

(i) **How was ASP introduced to the group?**

(ii) **What was the scope and depth of due diligence undertaken on ASP and its principals prior to entering the shareholders' agreement? What were the findings?**

However, on 28 February 2025, the group terminated the shareholders' agreement with ASP after Singapore authorities filed criminal charges against Mr Alan Wei Zhaolun, a director of ASP, for conspiracy to commit fraud in relation to a supplier of servers.

Previously, on 3 January 2025, ATA announced a US$15.62 million contract[1] to supply GPU HGX servers for a new AI training cluster.

(iii) **Was the US$15.62 million server contract fulfilled as agreed?**

(iv) **Following the termination of the shareholders' agreement, what is the current legal and operational status of ATA?**

(v) **Does the group retain the operational ability and capacity to deliver GPU-centric solutions?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Check out the latest questions on the annual reports of listed companies on SIAS website

Join our mailing list here to receive latest news and upcoming events.

CONNECT WITH US

1 https://links.sgx.com/FileOpen/SAL%20ATA%20Supply%20GPU%20Servers.ashx?App=Announcement&FileID=829542