



SERIAL SYSTEM LTD
新暉科技有限公司

Company Registration No. 199202071D
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of the shareholders of Serial System Ltd (the “**Company**”) will be held on Wednesday, 22 April 2009 at 10.30 a.m. (or as soon as the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place is concluded or adjourned) at 8 Ubi View #05-01 Serial System Building, Singapore 408554 for the purposes of considering and, if thought fit, passing (with or without modifications) the following Ordinary Resolutions:

All capitalised terms in the Ordinary Resolutions below and defined in the Circular dated 7 April 2009 (the “**Circular**”) shall, unless otherwise defined herein, bear the respective meanings ascribed thereto in the Circular.

ORDINARY RESOLUTION 1: THE PROPOSED RIGHTS ISSUE

That:-

contingent upon the passing of Ordinary Resolution 2 in this Notice of EGM,

- (a) a renounceable non-underwritten rights issue of up to 135,262,330 new ordinary shares (“**Rights Shares**”) in the capital of the Company at an issue price of S\$0.055 for each Rights Share, on the basis of one (1) Rights Share for every five (5) existing ordinary shares of the Company held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded, be and is hereby approved (the “**Rights Issue**”);
- (b) authority be and is hereby given to the Board of Directors to:
 - (i) create and issue such number of Rights Shares as the Directors may determine up to 135,262,330 Rights Shares at an issue price of S\$0.055 for each Rights Share;
 - (ii) provisionally allot and to issue up to 135,262,330 Rights Shares at an issue price of S\$0.055 for each Rights Share on the basis of one (1) Rights Share for every five (5) ordinary shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded;
 - (iii) allot and issue the Rights Shares on the terms and conditions set out below and/or otherwise on such terms and conditions as the Directors may think fit:-
 - (aa) the provisional allotments of the Rights Shares shall be made on a renounceable basis to the Shareholders whose names appear in the Register of Members of the Company or the records of the Central Depository (Pte) Limited (“**CDP**”) as at the Books Closure Date with registered addresses in Singapore or who have, at least five (5) market days prior to the Books Closure Date, provided to the CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents, on the basis of one (1) Rights Share for every five (5) existing ordinary shares in the capital of the Company then held by the Shareholders;
 - (bb) no provisional allotment of the Rights Shares shall be made in favour of Shareholders with registered addresses outside Singapore as at the Books Closure Date or who have not, at least five (5) market days prior thereto, provided to the CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”);
 - (cc) the entitlements to the Rights Shares which would otherwise accrue to Foreign Shareholders shall be disposed of by the Company in such manner and on such terms and conditions as the Directors shall deem fit for the purpose of renouncing the rights entitlements relating thereto to purchasers thereof and to pool and thereafter distribute the net proceeds, if any, thereof (after deducting all expenses) proportionately among such Foreign Shareholders in accordance with their respective shareholdings as at the Books Closure Date provided that if the amount to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall instead be retained or dealt with for the sole benefit of the Company;

- (dd) the entitlements to the Rights Shares not taken up or allotted for any reason (other than allotments to Foreign Shareholders referred to above) shall be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company; and
 - (ee) the Rights Shares when issued and fully paid up will rank *pari passu* in all respects with the then existing ordinary shares in the capital of the Company save for any dividends, rights, allotments or other distribution, the record date for which falls before the date of the issue of the Rights Shares ; and
- (c) the Directors be and are hereby authorised to take such steps, do all such acts and things, make such amendments to the terms of the Rights Issue and exercise such discretion as the Directors may in their absolute discretion deem fit, advisable or necessary in connection with all or any of the above matters.

ORDINARY RESOLUTION 2: THE WHITEWASH RESOLUTION

That subject to the conditions in the letter from the Securities Industry Council dated 22 December 2008 being fulfilled, the Shareholders hereby (on a poll taken) waive their rights to receive a mandatory takeover offer from Dr Derek Goh Bak Heng and parties acting in concert with him for all the Shares in the Company not already owned by him in the event that his subscription of the new ordinary shares in the capital of the Company to be issued pursuant to the Rights Issue by the Company results in him incurring a mandatory offer obligation pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers.

Shareholders should note that the approval of Ordinary Resolution 1 is conditional on the approval of Ordinary Resolution 2. This means that if Ordinary Resolution 2 is not approved, Ordinary Resolution 1 would be taken to have been not approved.

By Order of the Board

Alex Wui Heck Koon
Company Secretary

Singapore
7 April 2009

NOTES:

1. *A member entitled to attend and vote at this meeting is entitled to appoint one or two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.*
2. *The proxy form in the case of an individual shall be signed by the appointor or his attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.*
3. *If the proxy form is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit.*
4. *If no name is inserted in the space for the name of your proxy on the proxy form, the Chairman of the Meeting will act as your proxy.*
5. *The proxy form or other instruments of appointment shall not be treated as valid unless deposited at the registered office of the Company at 8 Ubi View #05-01, Serial System Building, Singapore 408554 not less than forty-eight (48) hours before the time appointed for holding the meeting and at any adjournment thereof.*
6. *For depositors holding their shares through The Central Depository (Pte) Limited in Singapore, the Directors have determined that it is more practicable for the depositor proxy form to be delivered to, collected, collated, reviewed and checked at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 63 Cantonment Road, Singapore 089758 and as such will be counted as valid in regards to this meeting pursuant to Article 73 of the Company's Articles of Association. The depositor proxy form, duly completed, must be deposited by the depositor(s) at the abovementioned office of the Company's Share Registrar in Singapore not less than forty-eight (48) hours before the commencement of this meeting.*