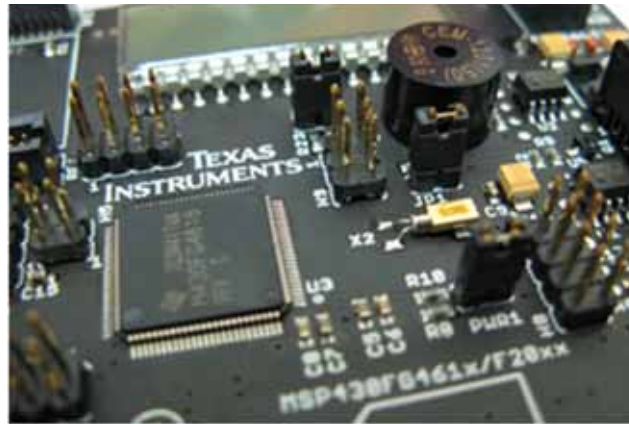


Analyst Lunch Briefing 3 August 2010



www.serialsystem.com



SERIAL SYSTEM LTD
新暉科技有限公司

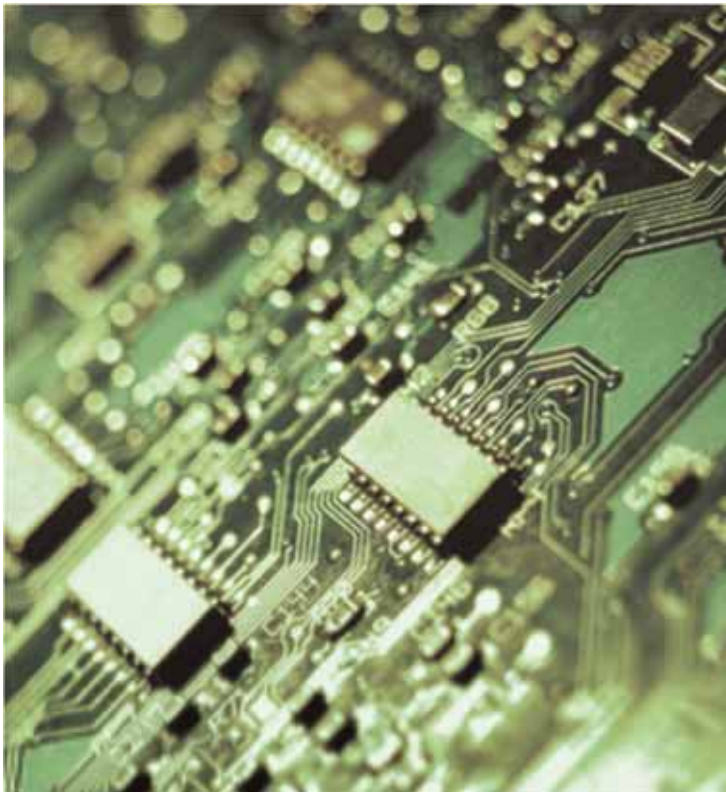
Outline

- Serial's Mission
- Serial At A Glance
- Key Markets
- Serial Strengths
- Financial Highlights
- Serial Strategies
- Why Serial continues to grow



We will continue to create a corporate environment committed to delivering service and product quality excellence, achieving continual success in performance and profitability, and be a leading semiconductors/components distributor in the Asia Pacific region.

Serial's Mission



“ To be the leading regional demand creation based distributor creating values for our customers, suppliers, employees and shareholders through focused dedicated teams to all tiers of the Semiconductor and PEMCO business”

Mr Derek Goh Bak Heng

*Founder, Executive Chairman and Group CEO
Serial System Ltd*

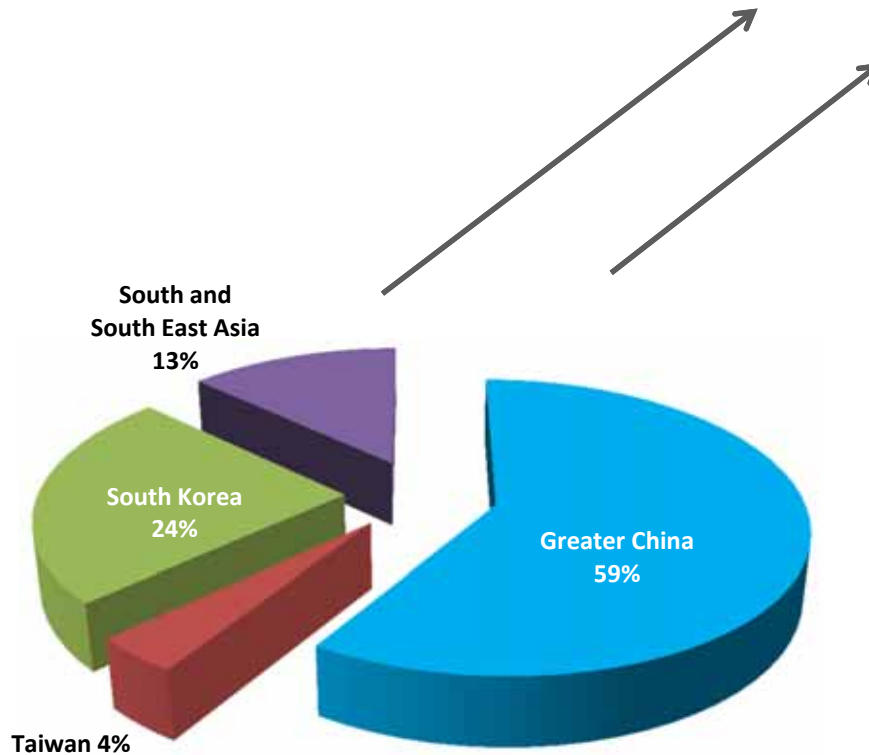
Serial At A Glance



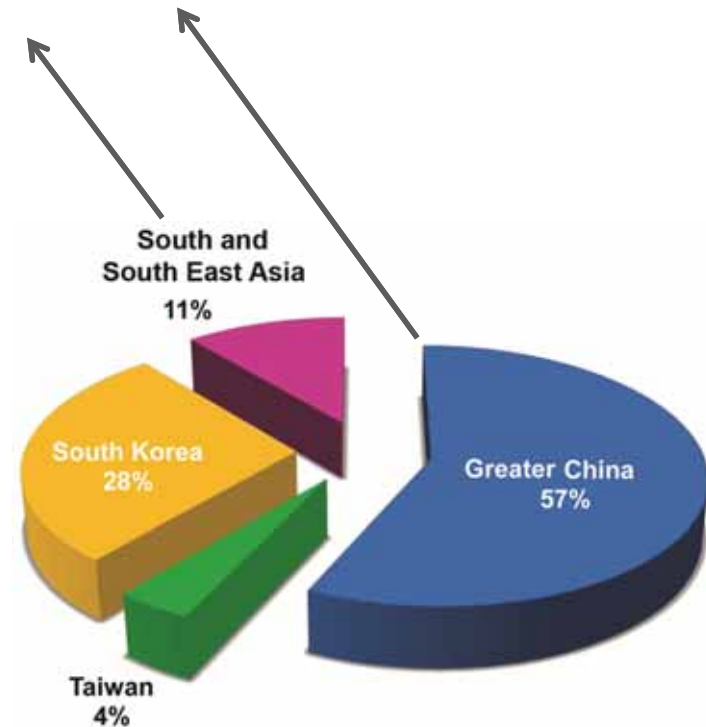
Key Markets



- *Focus on Growing markets in China, India and Vietnam*
- *Maintain Healthy Growth in rest of markets*
- *Considering adding Japan to the Asian equation*



**HY2010 Total Revenue
S\$371.0 million**

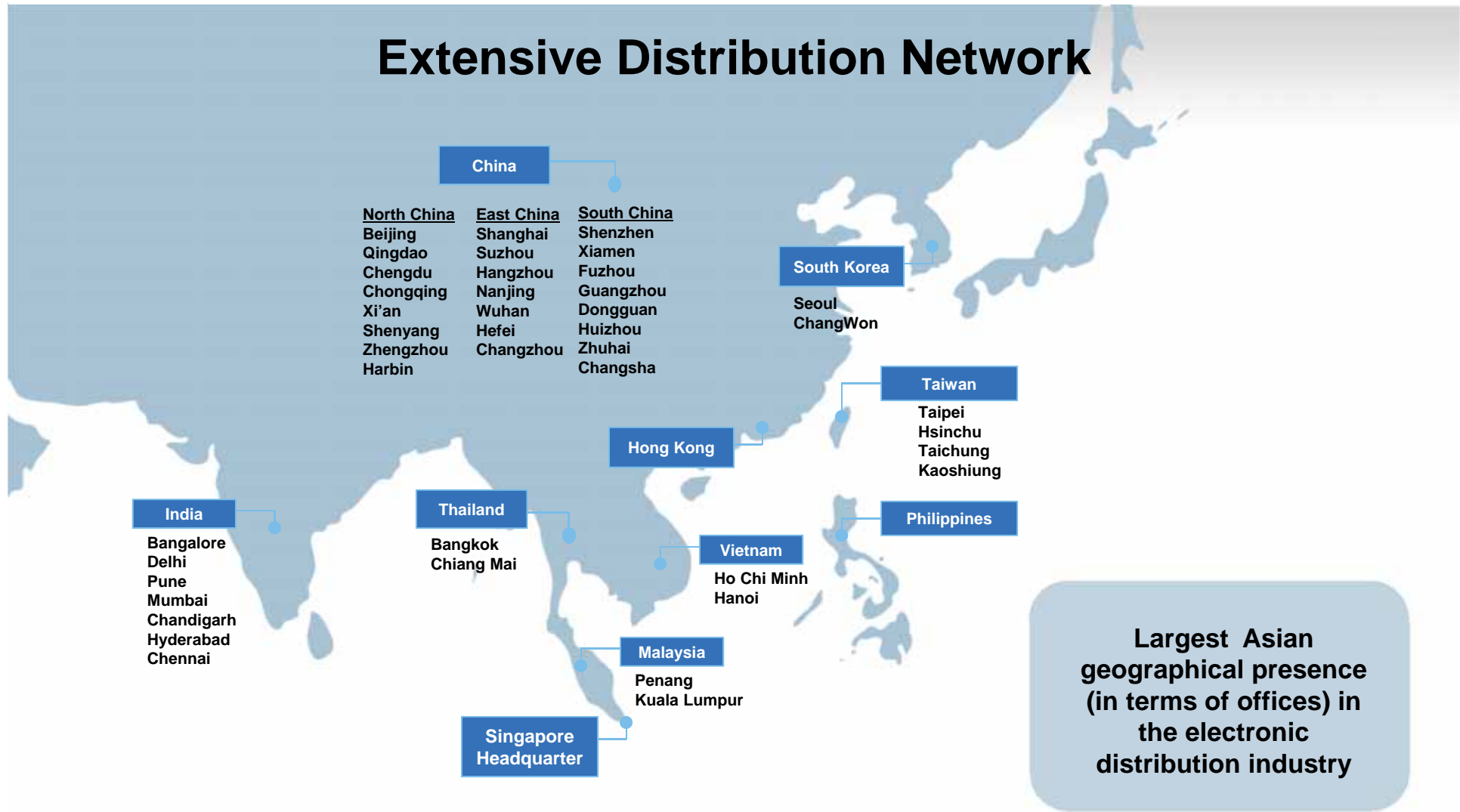


**FY2009 Total Revenue
S\$556.5 million**

Serial Strengths



Extensive Distribution Network



Serial Strengths



Strong Product Line Cards Serving Wide Range Of Industries



...Adds up to 50 + Franchised Suppliers in the Serial Group

Serial Strengths



Our Wide Range Of Products



Serial Strengths



Customers spanning across various Industries



Serial Strengths



Customers spanning across various Industries

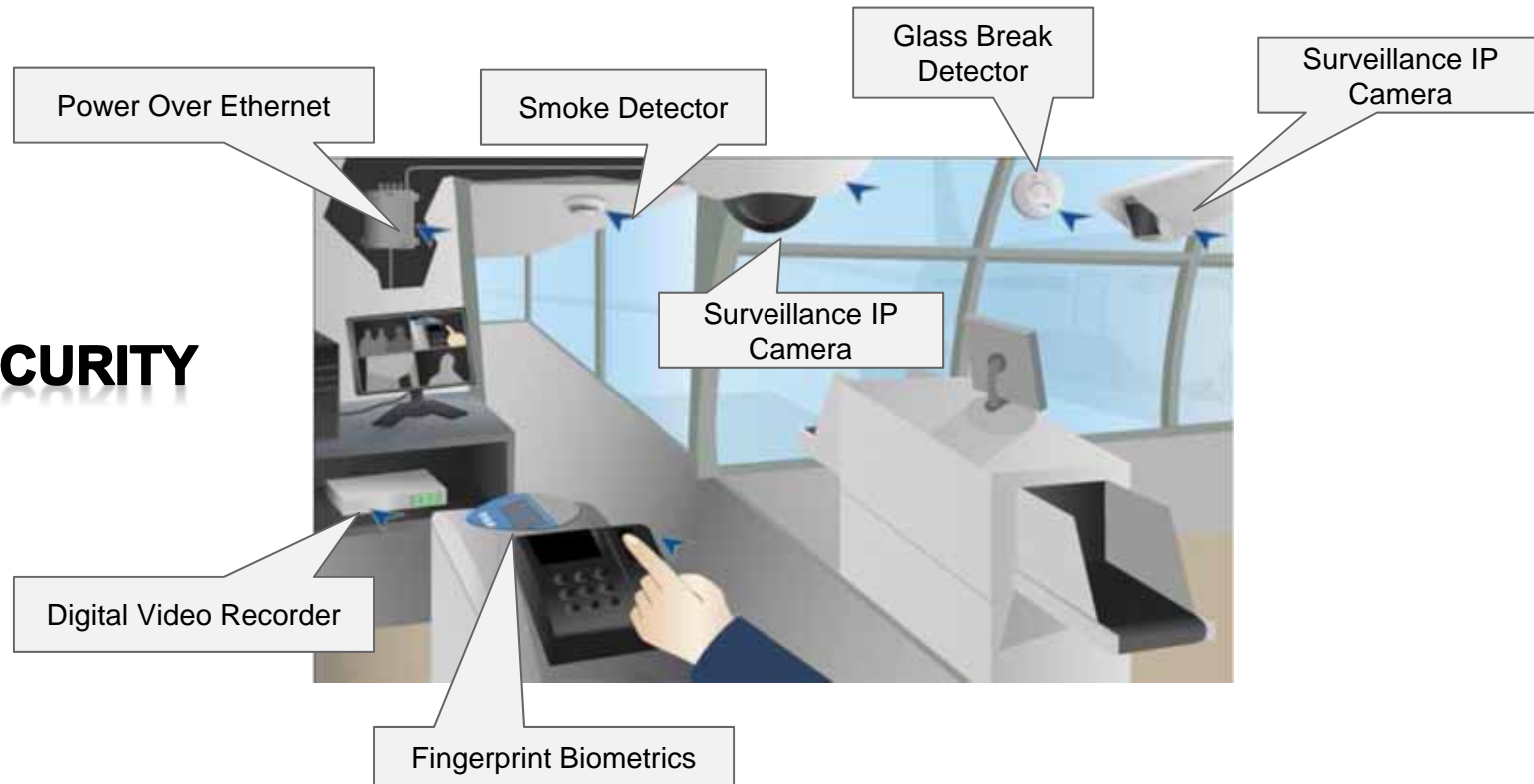


Serial Strengths



Customers spanning across various Industries

SECURITY



Serial Strengths



Customers spanning across various Industries

Industrial Instrumentation



Telecommunication Industry



Medical Devices Industry



OEM/EMS/Traders

**We sell our products to OEM/
EMS customers who on-sell
them to other customers**

Serial Strengths



Supply Chain Excellence



7 Product Distribution centers

Warehousing and Logistics support

ERP and Advanced Planning Tools

Integrated Materials Supply Chain Solution

Same SAP platform across the Group





Attractive Value Proposition

Our customers get:

- Access to broad technologies through strong and wide product line cards
- Shorter time-to-market for their products
- Market intelligence
- Extensive reach
- Lower cost on product development
- Lower cost in supply chain management
- Financing

Our suppliers get:

- Access to 2nd and 3rd tier OEM, EMS customers which they find difficult to work with
- Stronger branding
- Market intelligence
- R&D and new product introduction capabilities
- Extensive reach

Financial Highlights



Financial Highlights

Semiconductor Industry



Asia Pacific Semiconductor Revenue (US\$' billion)



Source : World Semiconductor Trade Statistics

While Asia Pacific Semiconductor Industry declined in FY2008 and FY2009 amidst the financial and economic crisis, Serial continued to grow at commendable 7% and 9%.

Serial (\$\$' million)



Semiconductor Industry



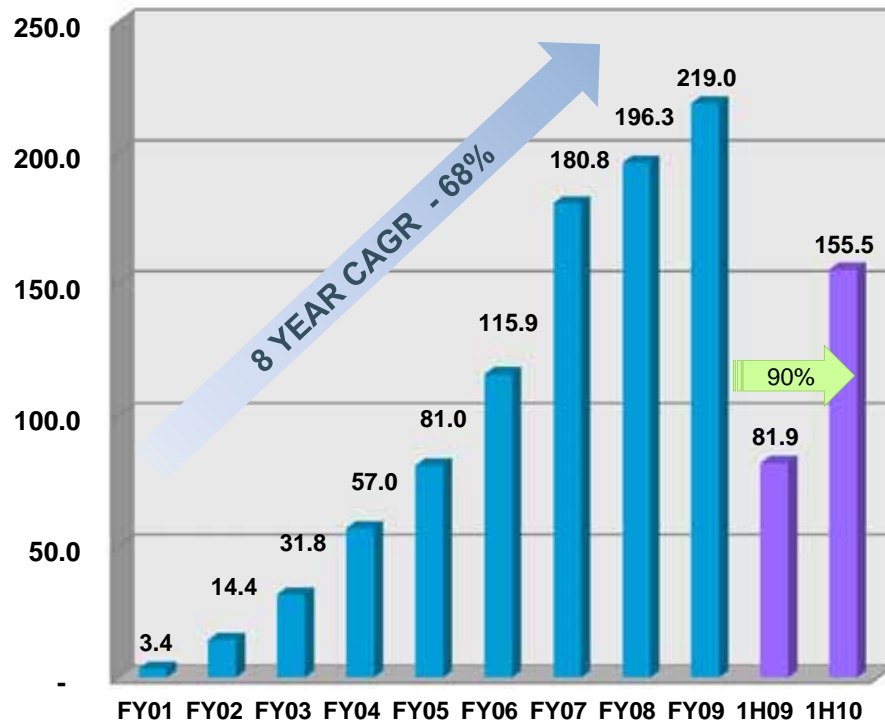
Serial Revenue Growth (S\$' million)



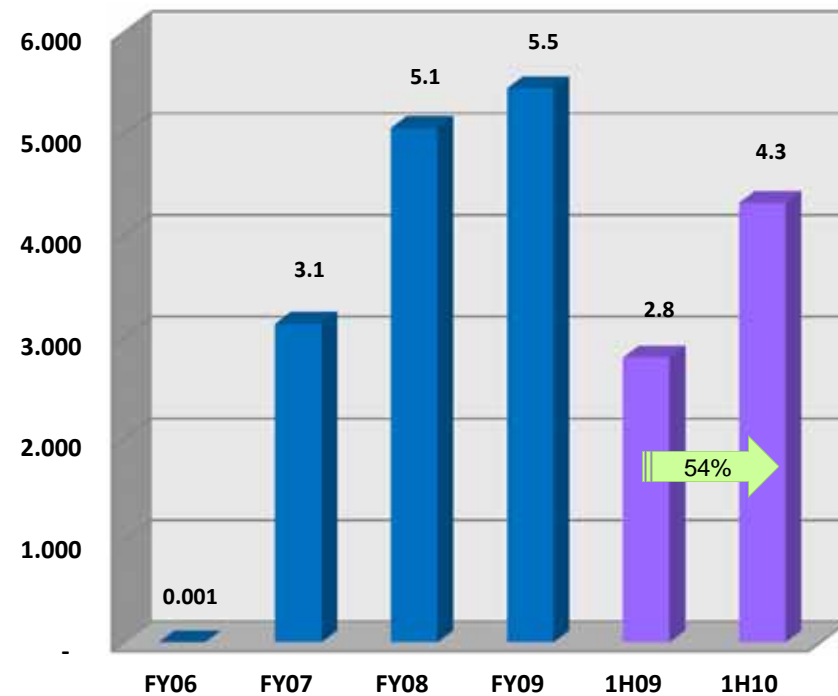
Right Growth Strategies



Greater China (US\$' million)



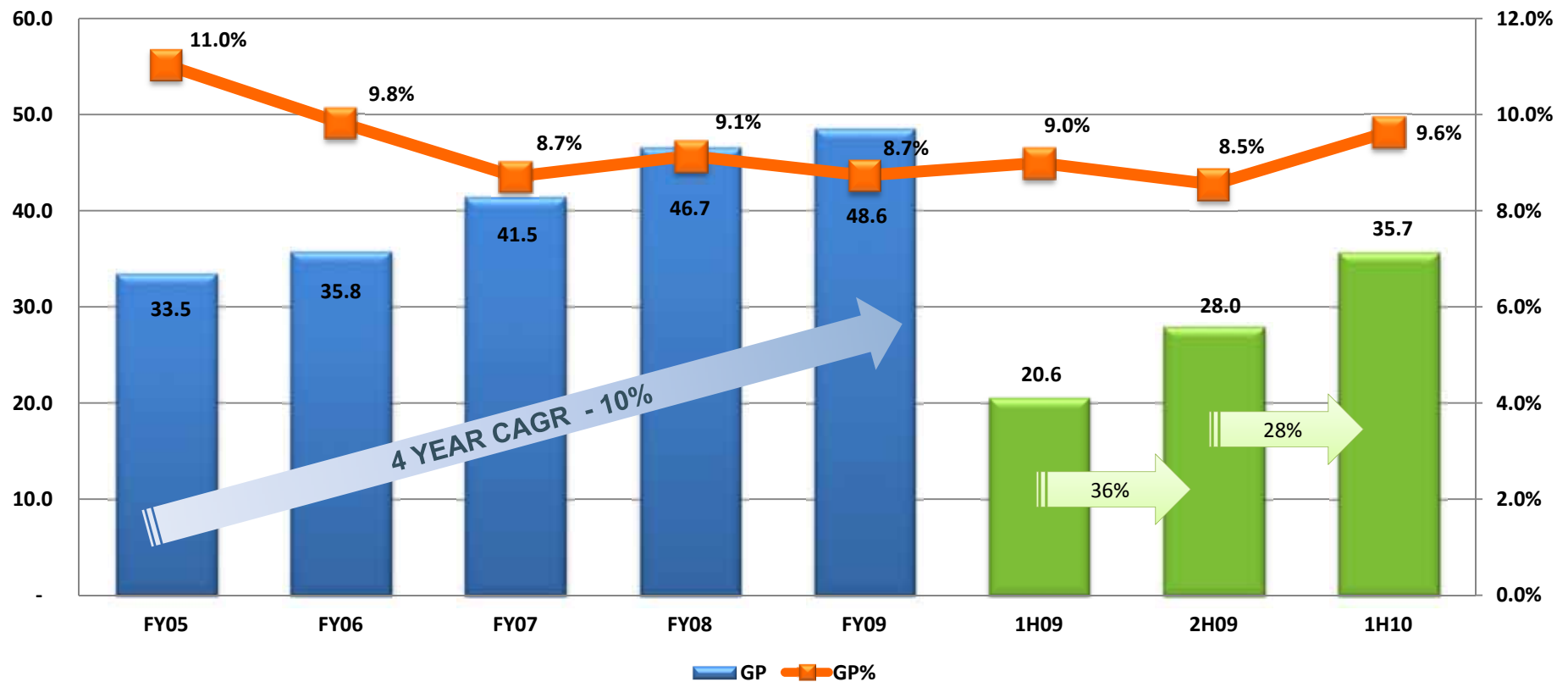
India Revenue (US\$' million)



Profitability Potential



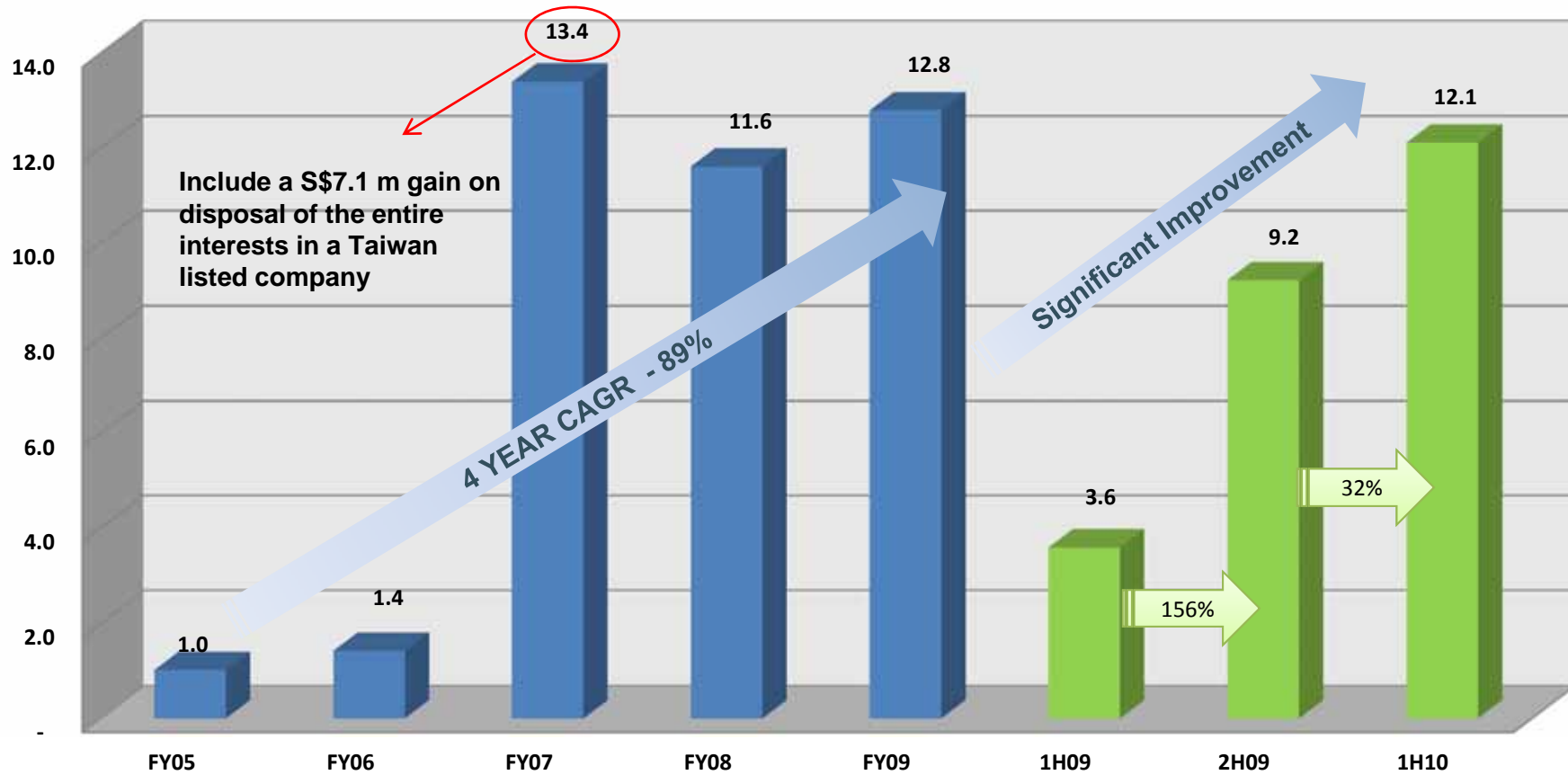
Gross Profit & Gross Profit Margin (S\$' million)



Profitability Potential



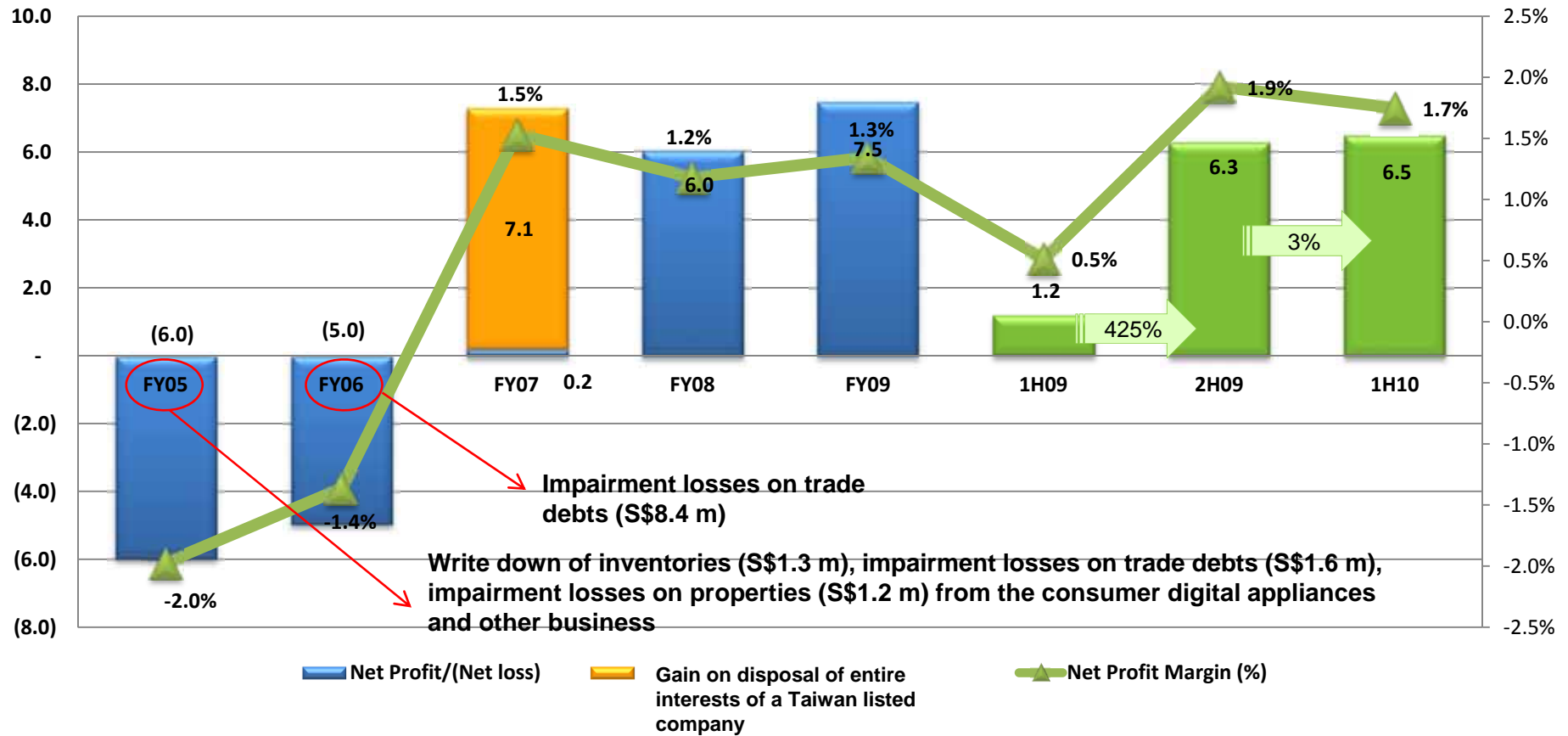
EBITDA (S\$' million)



Profitability Potential



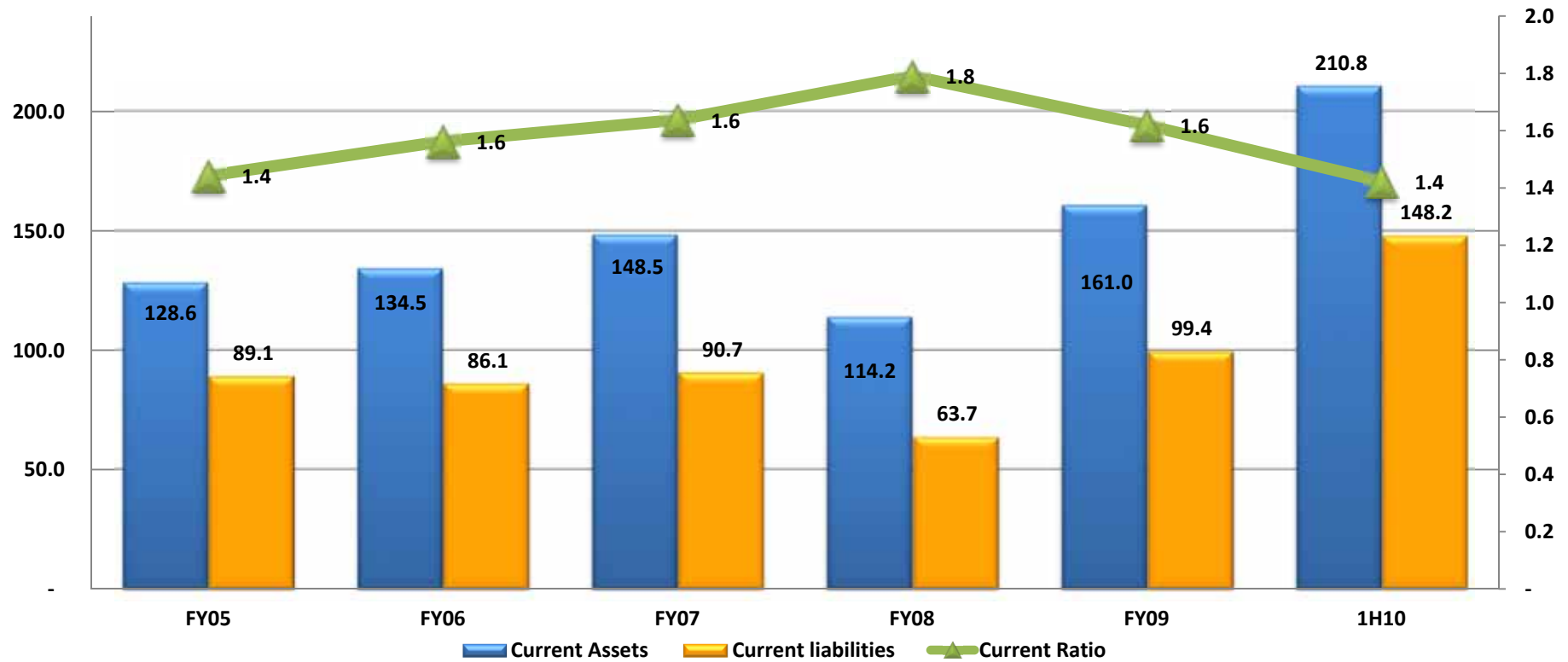
Net Profit/(loss) & Net Profit/(loss) Margin (S\$' million)



Healthy Balance Sheet



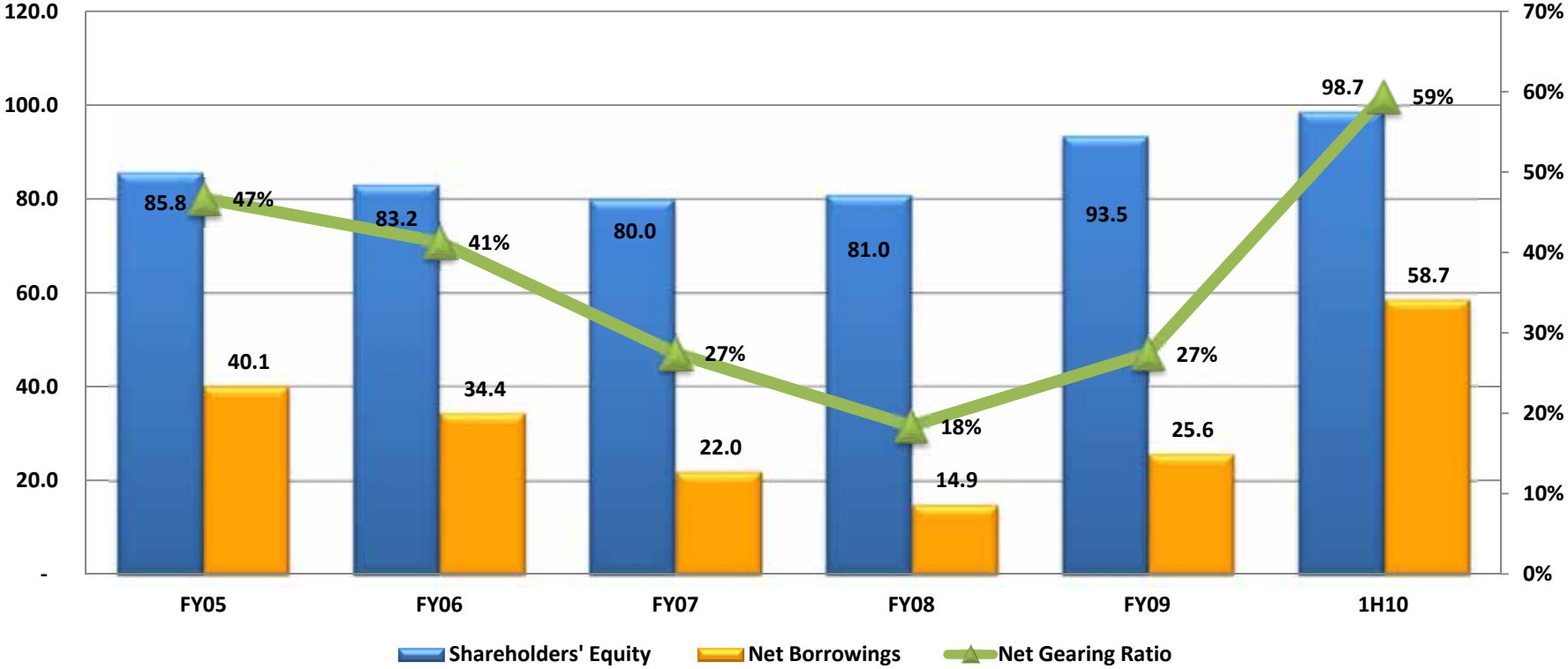
Maintaining Healthy Current Ratio



Healthy Balance Sheet



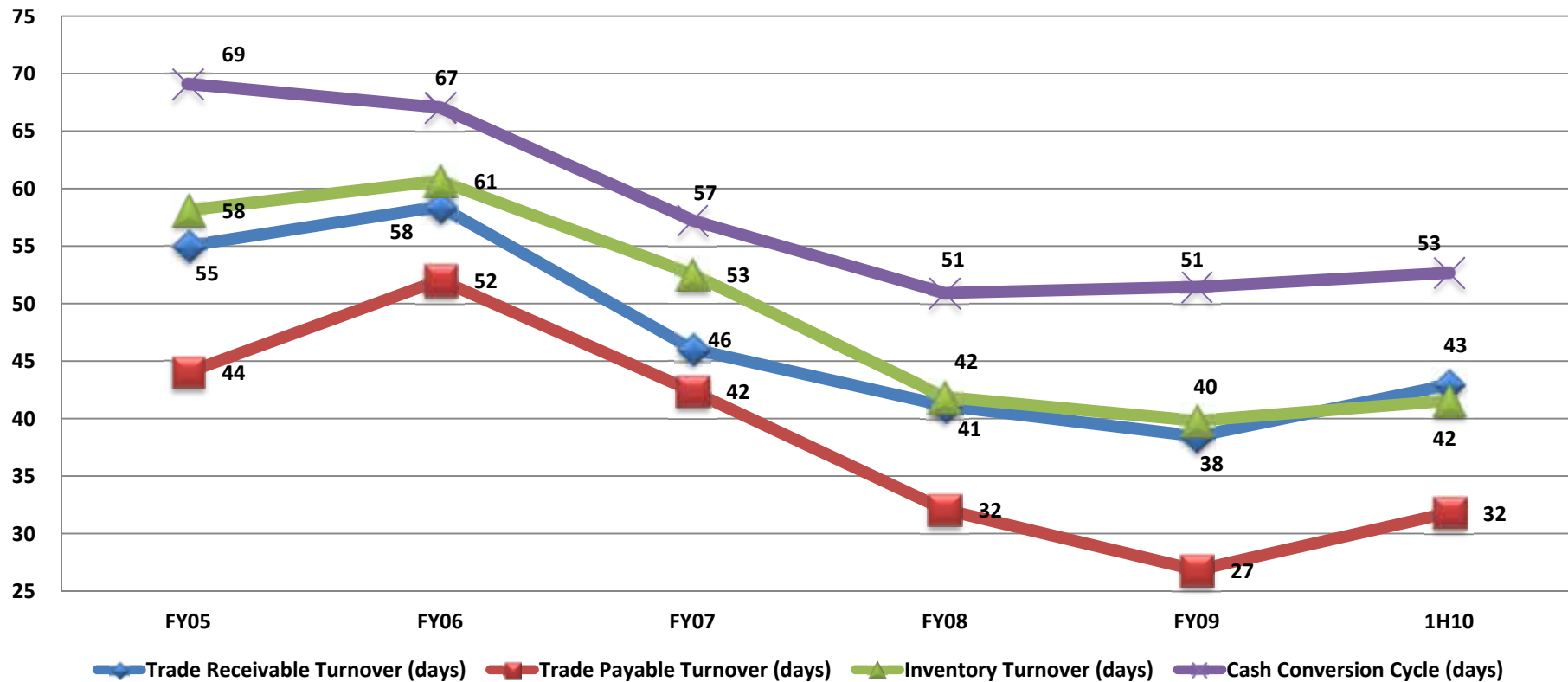
Net Gearing Ratio



Healthy Balance Sheet



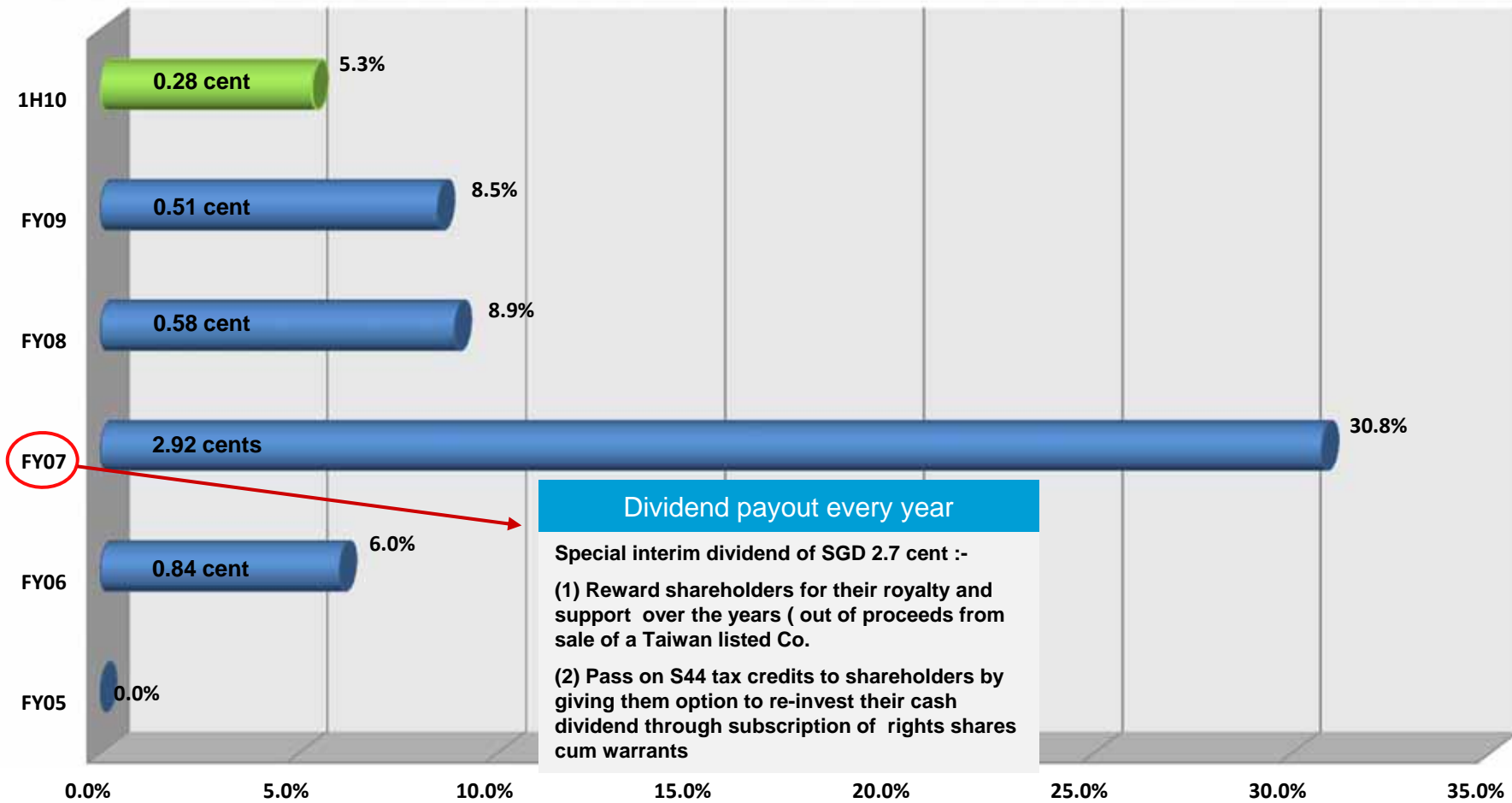
Cash Conversion Cycle (days)



Attractive Dividend Yield



Dividend Yield (%)



Serial Strategies



Revenue Growth

- New product lines and extension of existing lines
- Organic growth from value-added M&A, new and existing product lines
- Continued focus on lucrative markets, such as China, Korea and Taiwan
- Expansion in emerging markets, India and Vietnam

Improve GP Margin

- Improved value-added designs and solutions to customers
- Demand creation for suppliers and customers

Operational Efficiency & Enhanced Risk Management

- Staff productivity and efficiency
- Business simplification (ERP)
- Cost efficiency
- Strengthen controls on Receivables, Inventories and Cash

Grow Revenue & Bottomline

Why Serial continues to grow



Proven track record of Revenue Growth better than the semiconductor industry.

Largest Asian geographical presence makes it an attractive and choice partner for suppliers

Expansion of product lines from local to regional base in 2009 will start to show significant revenue in 2010 and beyond. Examples of product lines are Tyco Electronics, Avago and On Semiconductor

New product lines will add to revenue in 2010 and beyond. Examples Osram, AMS and Walsin Corp

Continue to leverage and grow our leading position in Korea and Greater China

Growth for Taiwan and India markets will be significant moving forward due to low base and good potentials

Possible expansion plan in Japan as current untapped market in Asia for Serial

Net profit margin will continue to improve as revenue grows and costs / sales % declines through economies of scale and costs efficiency

Q&A



Thank you

Important Notice



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