



SERIAL SYSTEM LTD
新暉科技有限公司

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

**PROPOSED CASH DIVIDEND AND RENOUNCEABLE AND NON-UNDERWRITTEN RIGHTS CUM
WARRANTS ISSUE**

APPROVAL IN-PRINCIPLE FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

Unless otherwise defined, all terms used herein shall bear the same meaning as in the Company's announcements of 26 June 2007 and 18 September 2007 ("Announcements").

Further to the Company's Announcements relating to, *inter alia*, the proposed Cash Dividend and the Rights cum Warrants Issue, the Board of Directors of the Company wishes to announce that the Company has today received the approval in-principle from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the listing of and quotation for up to 234,861,784 Rights Shares with up to 117,430,892 Warrants and up to 117,430,892 New Shares on the Main Board of the SGX-ST, subject to the following conditions:

- (a) Approval of the Shareholders for the allotment and issue of the Rights Shares, Warrants and New Shares in a general meeting to be convened;
- (b) Compliance with the SGX-ST listing requirements;
- (c) Submission of an undertaking by the Company to the SGX-ST to:
 - (i) Make periodic announcements on the utilization of the proceeds raised from the Rights cum Warrants Issue as and when the funds are materially disbursed; and
 - (ii) Provide a status report on the use of the proceeds from the Rights cum Warrants Issue and the funds from exercise of Warrants in the annual report.
- (d) Submission of undertaking from the Company that it will comply with Rule 830 of the Listing Manual to announce any adjustment of the terms of the Warrants made pursuant to Rule 829(1).
- (e) Submission of notification in Rule 864(4), if applicable, upon any significant changes affecting the matter in the application.
- (f) Submission of an undertaking that in the allotment of any excess Rights Shares, preference will be given to the shareholders of the Company for rounding of odd lots, and that the Directors and Substantial Shareholders of the Company will rank last in priority, in compliance with Rule 877(10) of the Listing Manual.

The SGX-ST's approval in-principle is not to be taken as an indication of the merits of the Company, its subsidiaries, the Rights cum Warrants Issue, the Rights Shares, the Warrants, the New Shares or the Shares. A Circular to Shareholders to convene an Extraordinary General Meeting seeking Shareholders' approval for the Rights cum Warrants Issue will be despatched to the Shareholders in due course. Details of the Cash Dividend and the Rights cum Warrants Issue and the availability of the Election Option to utilise the Net Cash Dividend for the subscription and payment of the Rights Shares with Warrants will be provided in the Circular.

BY ORDER OF THE BOARD

Submitted by

Dr. Derek Goh Bak Heng
Executive Chairman/Group CEO
By Order of the Board
17 October 2007