



SERIAL SYSTEM LTD
新暉科技有限公司

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of the Company will be held at 8, Ubi View, #05-00, Serial System Building, Singapore 408554 on Friday, 16 November 2007, at 2.30 p.m. for the purpose of considering and, if thought fit, passing (with or without amendments) the following ordinary resolutions:-

ORDINARY RESOLUTION 1: APPROVAL OF THE TAX-EXEMPT CASH DIVIDEND

- (A) A special interim 1st tier tax-exempt cash dividend (“**Tax-Exempt Cash Dividend**”) for the financial year ending 31 December 2007 of 1 cent for each ordinary share in the capital of the Company (“**Share**”) held as at such time and date as the Directors may, in their absolute discretion, determine (the “**Books Closure Date**”), be and is hereby declared and approved.
- (B) The Directors be and are hereby authorised to complete and do all acts and things (including executing all such documents as may be required in connection with the Tax-Exempt Cash Dividend) as they may consider desirable, necessary or expedient to give full effect to this Ordinary Resolution and the Tax-Exempt Cash Dividend.

ORDINARY RESOLUTION 2: APPROVAL OF THE CASH DIVIDEND

- (A) A special interim cash dividend (“**Cash Dividend**”) of 2.1 cents (gross) or 1.7 cents (net) (after deduction of tax at 18%) for each Share held by Shareholders as at the Books Closure Date, (the “**Net Cash Dividend**”), be and is hereby declared and approved.
- (B) The Directors be and are hereby authorised to complete and do all acts and things (including executing all such documents as may be required in connection with the Cash Dividend) as they may consider desirable, necessary or expedient to give full effect to this Ordinary Resolution and the Cash Dividend.

ORDINARY RESOLUTION 3: APPROVAL OF THE RIGHTS CUM WARRANTS ISSUE

- (A) That the renounceable non-underwritten rights cum warrants issue (the “**Rights cum Warrants Issue**”) of up to 234,861,784 new Shares (the “**Rights Shares**”) with up to 117,430,892 free detachable warrants (“**Warrants**”), be and is hereby approved, and the Directors be and is hereby authorised to provisionally allot and issue up to 234,861,784 Rights Shares at an issue price of S\$0.034 for each Rights Share, with up to 117,430,892 Warrants, each Warrant carrying the right to subscribe for one new ordinary share in the capital of the Company (“**New Share**”) at an exercise price of S\$0.09 for each New Share, on the basis of one (1) Rights Share for every two (2) existing shares in the capital of the Company held by Entitled Shareholders as at the Books Closure Date, and one (1) Warrant for every two (2) Rights Shares subscribed, fractional entitlements to be disregarded, on the terms and conditions set out below and/or otherwise on such terms and conditions as the Directors may think fit:-
 - (a) such number of Warrants as the Directors may determine, up to 117,430,892 Warrants in registered form to be issued together with the Rights Shares, each such Warrant to entitle the holder thereof to subscribe for one (1) New Share at an exercise price of S\$0.09 for each New Share at any time during the period commencing on the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants subject to the terms and conditions of the Deed Poll constituting the Warrants to be executed by the Company on such terms and conditions as the Directors may think fit, and any further Warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Deed Poll (any such further warrants to rank *pari passu* with the Warrants and for all purposes to form part of the same series, save as may otherwise be provided in the terms and conditions of the Deed Poll);

- (b) the provisional allotments of the Rights Shares with Warrants under the Rights cum Warrants Issue shall be made on a renounceable basis to the Entitled 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 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 two (2) existing shares in the capital of the Company held by Entitled Shareholders as at the Books Closure Date, and one (1) Warrant for every two (2) Rights Shares subscribed;
 - (c) no provisional allotment of the Rights Shares with Warrants 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 CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”);
 - (d) the entitlements to the Rights Shares with Warrants 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 thereof, if any (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 dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
 - (e) the entitlements to the Rights Shares with Warrants 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
 - (f) the Rights Shares when issued and fully paid up will rank *pari passu* in all respects with the then existing shares save for any dividends, rights, allotments or other distribution, the record date for which falls before the date of issue of the Rights Shares.
- (B) The Directors be and are hereby authorised to complete and do all acts and things (including executing all such documents as may be required in connection with the Rights cum Warrants Issue) as they may considered desirable, necessary or expedient to give full effect to this Ordinary Resolution and the Rights cum Warrants Issue.

BY ORDER OF THE BOARD

Wui Heck Koon
Company Secretary
Singapore
30 October 2007

Notes:-

1. Terms and expressions not defined herein have the same meanings ascribed to them in the Circular to the shareholders dated 30 October 2007.
2. A member of the Company entitled to attend and vote at the Extraordinary General Meeting may appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
3. If a proxy is to be appointed, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney, must be duly deposited at the registered office of the Company at 8, Ubi View, #05-00, Serial System Building, Singapore 408554 not less than forty-eight (48) hours before the time appointed for the holding of the Extraordinary General Meeting.
4. The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its seal or under the hand of any official or attorney duly authorised.

Submitted by Wui Heck Koon, Company Secretary by Order of the Board on 30/10/2007 to the SGX.