

# ANNOUNCEMENT



**SERIAL SYSTEM LTD**  
新暉科技有限公司

*(Incorporated in the Republic of Singapore on 22 April 1992)*

*Company Registration No. 199202071D*

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## **Profit Warning**

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The Board of Directors of Serial System Ltd (the “Company”) would like to announce that one of the group’s customers, Vitelcom Mobile Technology S.A.(“Vitelcom”), has informed the group that it is at present experiencing financial difficulties and may not be able to fully repay trade receivables owing to the group amounting to S\$11,020,000.

The Company will continually assess Vitelcom’s position and any new developments, and make the appropriate provision in respect of the trade receivables presently owing by Vitelcom after ascertaining all relevant facts and information. This is expected to affect the Company’s consolidated financial results for the financial year ending 31 December 2006 and may result in a loss for the current financial year.

The Company is taking advice from Spanish lawyers on the appropriate legal solutions to recover payment of the trade receivables and will vigorously explore and pursue all options advised by Spanish lawyers. The Company will promptly make further announcements to update shareholders and the investing public as and when there are material developments on the matter.

By Order of the Board

Dr Derek Goh Bak Heng  
Executive Chairman and Group Chief Executive Officer  
28 November 2006