



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

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## INCREASE IN PAID UP SHARE CAPITAL OF THE GROUP'S HONG KONG SUBSIDIARY

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The board of directors (“**Board**”) of Serial System Ltd (“**Company**”) and its subsidiaries (“**Group**”) wishes to announce that the Group’s 91% owned Hong Kong subsidiary, Serial Microelectronics (HK) Limited (“**SMHK**”), has increased its paid up share capital from HK\$60,000,000 (US\$7,692,308), comprising 60 million ordinary shares to HK\$138,000,000 (US\$17,692,308), comprising 138 million ordinary shares, pursuant to the issuance of 78 million new ordinary shares. The capital increase is to strengthen the financial position of SMHK. The Group has fully subscribed to its entitlement of 70.98 million ordinary shares through the capitalization of an amount for US\$10 million, being amount owing from SMHK to the Company.

The above transaction is not expected to have any financial impact on the net tangible assets per share and earnings per share of the Company and the Group for the financial year ended 31 December 2019 and current financial year ending 31 December 2020.

None of the Directors or controlling shareholders (as defined in the Listing Manual) of the Company has any interest, direct or indirect in the above transactions, other than through their respective shareholdings in the Company

### BY ORDER OF THE BOARD

**Derek Goh Bak Heng**  
Executive Chairman and Group CEO  
31 Mar 2020