



SERIAL SYSTEM LTD

*Company Registration No. 199202071D
(Incorporated in the Republic of Singapore)*

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Serial System Ltd (the “Company”) will be held at 8 Ubi View #05-01 Serial System Building Singapore 408554, on Saturday, 26 April 2014 at 10.30 a.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2013 together with the Reports of the Directors and the Auditors thereon.. **(Resolution 1)**
2. To declare a one-tier tax-exempt Final Cash Dividend of S\$0.30 cent per ordinary share for the financial year ended 31 December 2013 (2012: One-tier tax-exempt Final Cash Dividend of S\$0.30 cent per ordinary share). **(Resolution 2)**
3. To approve the payment of Directors’ Fees of S\$230,000 (US\$184,000) for the financial year ended 31 December 2013 [2012: S\$194,000 (US\$155,000)]. **(Resolution 3)**
4. To re-elect Mr. Tan Lye Heng Paul as Director, who retires by rotation pursuant to Article 89 of the Company’s Articles of Association.

Mr. Tan Lye Heng Paul will, upon re-election as a Director of the Company, remain as the Chairman of the Audit Committee and a member of the Remuneration Committee and Nominating Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited. **(Resolution 4)**
5. To re-elect Mr. Lee Teck Leng Robson as Director, who retires by rotation pursuant to Article 89 of the Company’s Articles of Association.

Mr. Lee Teck Leng Robson will, upon re-election as a Director of the Company, remain as the Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited. **(Resolution 5)**
6. To re-elect Mr. Goi Kok Neng Ben as Director, who retires by rotation pursuant to Article 88 of the Company’s Articles of Association.

Mr. Goi Kok Neng Ben will, upon re-election as a Director of the Company, remain a Non-Executive Director of the Company and will be considered non-independent. **(Resolution 6)**
7. To re-appoint Messrs Moore Stephens LLP, Public Accountants and Chartered Accountants, Singapore as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **(Resolution 7)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolution No. 8, and Resolution No. 9 as Ordinary Resolutions:

8. Share Issue Mandate

THAT pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and listing rules of the Singapore Exchange Securities Trading Limited, authority be and is hereby given to the Directors of the Company to issue shares ("Shares") whether by way of rights, bonus or otherwise, and/or grant offers, agreements of options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit provided that:

- (a) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, of which the aggregate number of Shares and convertible securities to be issued other than on a pro-rata basis to all shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) in the share capital of the Company;
- (b) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) of the Company as at the date of the passing of this Resolution, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities;
 - (ii) new shares arising from exercising share options outstanding at the time this Resolution is passed; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of shares;
- (c) and that such authority shall, unless revoked or varied by the Company in general meeting, continue in force (i) until the conclusion of the Company's next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in accordance with the terms of convertible securities issued, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the term of such convertible securities.

(Resolution 8)

(See Explanatory Note (i) below)

9. Proposed Renewal of the Share Buyback Mandate

That:

(a) for the purposes of the Companies Act, Chapter 50 of Singapore (the “Act”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the ordinary shares in the capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) market purchases (each a “Market Purchase”) on the Singapore Exchange Securities Trading Limited; and/or
- (ii) off-market purchases (each an “Off-Market Purchase”) effected otherwise than on the Singapore Exchange Securities Trading Limited in accordance with any equal access schemes as may be determined or formulated by the Directors of the Company as they consider fit, which schemes shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other provisions of the Act and listing rules of the Singapore Exchange Securities Trading Limited as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “Share Buyback Mandate”);

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

- (i) the date on which the next Annual General Meeting of the Company is held or required by law to be held;
- (ii) the date on which the share buybacks are carried out to the full extent mandated; or
- (iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked;

(c) in this Resolution:

“Prescribed Limit” means 80,632,791 Shares;

“Relevant Period” means the period commencing from the date on which the last Annual General Meeting was held or was required by law to be held and expiring on the date the next Annual General Meeting is held or is required by law to be held, whichever is the earlier, after the date of this Resolution; and

“Maximum Price” in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase: 105% of the Average Closing Price
- (ii) in the case of an Off-Market Purchase: 120% of the Average Closing Price, where:

“Average Closing Price” means the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days; and

(d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

(See Explanatory Note (ii) below)

(Resolution 9)

10. To transact any other ordinary business which may be properly transacted at an Annual General Meeting of the Company.

By Order of the Board

Alex Wui Heck Koon
Company Secretary

Singapore
9 April 2014

Explanatory Notes on Special Business to be transacted:

- (i) The proposed Ordinary Resolution No. 8, if passed, will empower the Directors from the date of the above Annual General Meeting until the date of the next Annual General Meeting, to allot and issue ordinary shares and convertible securities in the Company up to an amount not exceeding fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to twenty per centum (20%) may be issued other than on a pro-rata basis. For the purpose of this resolution, the total number of issued shares (excluding treasury shares) is based on the Company's total number of issued shares (excluding treasury shares) at the time this proposed Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of convertible securities, the exercise of share options outstanding at the time when this proposed Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.
- (ii) The proposed Ordinary Resolution No. 9, if passed, will authorise the Directors to make purchase or otherwise acquire issued shares from time to time subject to and in accordance with the guidelines set out in Appendix I, the Listing Manual of the Singapore Exchange Securities Trading Limited and such other laws as may for the time being be applicable. This authority will continue in force until the next Annual General Meeting of the Company, unless previously revoked or varied at a general meeting or when such purchases or acquisitions are carried out to the full extent mandated.

Notes:

1. A Member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint no more than two proxies to attend and vote on his behalf. 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 shareholding (expressed as a percentage of the whole) to be represented by each proxy.
2. A Member of the Company which is a corporation, is entitled to appoint as its authorised representative or proxy by resolution of its directors or other governing body such person as it thinks fit to vote on its behalf.
3. The instrument appointing a proxy must be deposited at the registered office of the Company, at 8 Ubi View #05-01 Serial System Building Singapore 408554, not later than, forty-eight (48) hours before the time appointed for holding the Annual General Meeting.

**NOTICE OF BOOKS CLOSURE AND
DIVIDEND PAYMENT DATE**

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 8 May 2014 for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, B.A.C.S. Private Limited at 63 Cantonment Road, Singapore 089758 up to 5.00 p.m. on 7 May 2014 will be registered to determine shareholders' entitlements to the proposed dividend.

Members whose Securities Accounts with The Central Depository (Pte) Ltd are credited with shares at 5.00 p.m. on 7 May 2014 will be entitled to the proposed dividend.

The proposed dividend, if approved by the members at the Annual General Meeting to be held on 26 April 2014, will be paid on 19 May 2014.

By Order of the Board

Alex Wui Heck Koon
Company Secretary

Singapore
9 April 2014