



(Incorporated in the Republic of Singapore)
(Company Registration Number: 199202071D)
(the “**Company**”)

INVESTMENT IN UNITRONTech CHINA CO. LTD.

1. The board of directors (“**Board**”) of Serial System Ltd (the “**Company**”) is pleased to announce that its subsidiary, Serial Microelectronics (HK) Limited (“**SMHK**”) has entered into a joint venture agreement with Unitrontech Co., Ltd. (“**Unitrontech**”) a Korean company listed on the Korean Securities Dealers Automated Quotations (KOSDAQ) of the Korea Exchange in South Korea, in relation to a newly incorporated company in Hong Kong known as Unitrontech China Co. Ltd. (“**Unitrontech China**”). The Company’s wholly-owned subsidiary, Serial Microelectronics Pte. Ltd. has a 8.2% equity interest in Unitrontech.
2. SMHK will invest 45% equity interests in Unitrontech China. The principal activity of Unitrontech China is marketing, promotion, sale, export and distribution of Micron memory products with a focus on automotive market in China.
3. The issued and paid-up capital of Unitrontech China is US\$1,000,000 comprising 1,000,000 ordinary shares, of which SMHK’s 45% contribution amounted to US\$450,000. The remaining 55% interests are held by Unitrontech whose contribution amounted to US\$550,000. The board of directors of Unitrontech China shall consist of four (4) directors, of which two (2) directors shall be appointed by Unitrontech and the other remaining two (2) directors shall be appointed by SMHK.
4. The total investment of US\$450,000 in Unitrontech China by SMHK will be funded through internal resources. The investment is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the current financial year ending 31 December 2016.
5. 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.

BY ORDER OF THE BOARD

Derek Goh Bak Heng
Executive Chairman and Group CEO
9 September 2016