



SERIAL SYSTEM LTD

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of the Company will be held at 8 Ubi View, #05-01, Serial System Building, Singapore 408554 on 26 April 2014 at 11.00 a.m., or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same date, for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as Ordinary Resolutions, with or without any amendment:

ORDINARY RESOLUTION 1: THE PROPOSED IMPLEMENTATION OF THE SERIAL SYSTEM EMPLOYEE SHARE OPTION SCHEME 2014 (on a poll taken)

THAT:-

- (a) the share incentive scheme to be known as Serial System Employee Share Option Scheme 2014 (the “**2014 Scheme**”), details of which are set out in the Circular dated 9 April 2014 to the Shareholders, be and is hereby approved.
- (b) the Board of Directors of the Company be and is hereby authorised:
 - (i) to establish and administer the 2014 Scheme;
 - (ii) to modify and/or alter the 2014 Scheme from time to time provided that such modification and/or alteration is effected in accordance with the provisions of the 2014 Scheme and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2014 Scheme; and
 - (iii) to offer and grant Options in accordance with the provisions of the 2014 Scheme and pursuant to Section 161 of the Companies Act (Chapter 50) of Singapore to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the Options under the 2014 Scheme provided always that the aggregate number of Shares in respect of which Options may be granted under the 2014 Scheme, when added to the amount of Shares issued and issuable and/or transferable in respect of (a) all Shares available under the 2014 Scheme; and (b) all Shares, options or awards granted under any other share option or share scheme of the Company then in force, shall not exceed fifteen per cent. (15%) of the total issued share capital of the Company from time to time and provided also that, subject to such adjustments as may be made to the 2014 Scheme as a result of any variation in the capital structure of the Company.

ORDINARY RESOLUTION 2: THE PROPOSED GRANT OF OPTIONS AT A DISCOUNT UNDER THE SERIAL SYSTEM EMPLOYEE SHARE OPTION SCHEME 2014 (on a poll taken)

THAT subject to and contingent upon the passing of Resolution 1, the exercise price of the Options may, at the discretion of the Committee (as defined in the 2014 Scheme), be set at such discount subject to the following conditions:

- (a) the maximum discount shall be twenty per cent. (20%) of the Market Price (as defined in the 2014 Scheme) of the Option (as determined in accordance with the Rules of the 2014 Scheme); and
- (b) such Options may only be exercised on (and including) the second (2nd) anniversary of the Date of Grant of such Options, Provided Always that such Options shall be exercised before or on (or including) the day immediately preceding the tenth (10th) anniversary of the relevant Date of Grant (save for Incentive Options granted to Non-Executive Directors, which shall expire on (and including) the day immediately preceding the fifth (5th) anniversary of the relevant Date of Grant), or such other period determined by the Committee or prescribed under any relevant law, regulation or rule of the Singapore Exchange Securities Trading Limited from time to time.

ORDINARY RESOLUTION 3: THE PROPOSED PARTICIPATION OF DR. DEREK GOH BAK HENG, A CONTROLLING SHAREHOLDER, IN THE SERIAL SYSTEM EMPLOYEE SHARE OPTION SCHEME 2014 (on a poll taken)

THAT subject to and contingent upon the passing of Resolution 1, the participation of Dr. Derek Goh Bak Heng, a Controlling Shareholder (as defined below), in the 2014 Scheme be and is hereby approved.

In this notice, “**Controlling Shareholder**” means a person who (a) holds directly or indirectly 15% or more of the voting shares in the Company. The Singapore Exchange may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over the Company.

By Order of the Board

Alex Wui Heck Koon
Company Secretary
9 April 2014

NOTES:

- 1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint no more than two proxies to attend and vote on his behalf and such 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 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 Extraordinary General Meeting.