



## SERIAL SYSTEM LTD

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

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### NOTICE OF TERMINATION OF DISTRIBUTION AGREEMENTS

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The Board of Directors (the “**Board**”) of Serial System Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to inform shareholders that Serial Microelectronics Pte Ltd., a wholly owned subsidiary of the Company, has received notice from Texas Instruments (“**TI**”), a major supplier, that the distribution agreements between Serial Microelectronics Pte Ltd. and TI will terminate on 31 December 2018.

The Group is in ongoing discussions with TI to work out the arrangements for the cessation of the business relationship. The Company is concurrently considering a potential sale of its TI distribution business.

The Group’s TI distribution business contributed revenue of approximately US\$442.5 million and US\$707.5 million comprising 54% and 47% respectively of the Group’s revenue for the half year ended 30 June 2018 and financial year ended 31 December 2017.

The Board will provide updates as and when there is any material development on the matter.

#### **By Order of the Board**

Dr. Derek Goh Bak Heng

Executive Chairman and Group CEO  
2 October 2018