

**DATAPULSE TECHNOLOGY LIMITED**  
**(Incorporated in the Republic of Singapore)**  
**(Company Registration No: 198002677D)**

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**BUSINESS TIMES ARTICLE OF 19 DECEMBER 2017**

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The board of directors (“**Board**”) of Datapulse Technology Limited (the “**Company**”) refers to the Business Times article of 19 December 2017 entitled “*Datapulse’s shareholders should press for answers*” by Mak Yuen Teen (“**Third Press Article**”) and would like to respond to certain matters raised in the Third Press Article.

Shareholders may also wish to refer to the Company’s announcements of 14 December 2017 and 13 December 2017 (“**Earlier Announcements**”) responding to earlier press articles by the same author in relation to the Company. All capitalised terms used in this announcement shall bear the same meanings ascribed to them in the Earlier Announcements.

Reconstitution of the New Board

The Company wishes to make the following clarifications in relation to the reconstitution of the New Board.

1. The three previous independent directors were not involved in the appointment of the New Independent Directors as the New Independent Directors were appointed to the Board on 11 December 2017, together with the Executive Director and CEO, after the three previous independent directors had stepped down from the Former Board.
2. The New Board understands that it was originally intended that the proposed appointment of the New Independent Directors be considered by the Former Board during meetings convened on 8 December 2017, but such matter was not in the end considered, *inter alia*, after Ms Ng did not attend the board meeting to present her plans to the Previous Board.
3. The three previous independent directors resigned on 10 December 2017 and the then remaining directors of the Former Board appointed the New Independent Directors and the Executive Director and CEO on 11 December 2017.
4. The timing and manner of the reconstitution of the New Board was hence undertaken under the aforesaid circumstances.

Independence, competencies and experience of the New Directors

As mentioned in the Earlier Announcements, the New Independent Directors were appointed following due consideration of their independence, competencies and experience by the then remaining directors of the Former Board, and Shareholders will also have an opportunity to consider their independence, competencies and experience and to vote accordingly, when they are being proposed for re-appointment as Directors (if applicable) at the next upcoming annual general meeting of the Company.

Notwithstanding the foregoing, the Company wishes to clarify the following matters or issues raised in the Third Press Article:

1. Mr Ng, the Chairman of the Audit Committee, is an accountant by training with a Bachelor of Accountancy degree from the Nanyang Technological University, and gained his audit experience in the then Arthur Andersen where his last position held was as audit assistant manager, and his

key audit clients included several SGX listed companies. His work experience includes roles undertaken at financial institutions including a local bank and he has extensive corporate work and capital markets experience, including acting as a consultant (either in his personal capacity or through a company co-founded by him) to the controlling shareholder or issuer in respect of several listings, both locally and overseas, such as Hengxin Technology Limited, Sound Global Limited, Sinotel Technology Limited and Ziwo Holdings Limited on SGX.

2. Mr Low meets the criteria for independence as contemplated under the 2012 Code of Corporate Governance, notwithstanding that he holds certain shares in the Company and is an independent director of Lian Beng Group Ltd, who used to be a shareholder of the Company and may have had certain historical transactions with the Group.

In addition, as stated in the Earlier Announcements, Mr Low did not personally know Ms Ng prior to his appointment to the New Board, although part of the shares in the Company which Mr Low used to hold in the Company were sold to Ms Ng on 22 November 2017. Mr Low sold his shares to Ms Ng through the introduction of Mr Ng Cheow Chye, and Mr Low did not get to meet or speak to Ms Ng in the process of the sale. Mr Ng Cheow Chye was also the person who introduced Mr Low to Ms Ng as a possible candidate for the New Board, subsequent to her becoming a new shareholder of the Company.

3. Mr Ng and Mr Teo each meet the criteria for independence as contemplated under the 2012 Code of Corporate Governance, in particular, they are not associates of or otherwise related to a 10% shareholder. As stated in the Earlier Announcements, Mr Ng and Mr Teo are business acquaintances of Ms Ng. To further elaborate, Ms Ng is an accountant by training and she got to know Mr Ng and Mr Teo when they previously approached her firm to provide, *inter alia*, accounting services for their own companies and/or their clients and there are no other significant business relationships or dealings between Ms Ng and Mr Ng and Mr Teo respectively.

The Company also wishes to provide further information on the professional experience of Mr Kee, the new Chief Executive Officer of the Company. Mr Kee has more than 35 years of business management, development and operational experience primarily in the consumer product sector, including products such as beauty and cosmetic products, garments and food and beverage. From 1980 to 1999, he worked at Crocodile Holdings Pte Ltd, a manufacturer, importer, exporter, retailer and wholesaler of garments and accessories, which has business and operations across Asia. His last position at Crocodile Holdings Pte Ltd was Managing Director. From 1999 to 2005, he assumed the position of General Manager at Chia Khim Lee Food Marketing Pte Ltd., which engaged in the manufacturing, importing, exporting and distribution of beverages, edible oils and other food products. He subsequently took on management positions at a couple of companies before assuming the position of General Manager at Way Company Pte Ltd. from 2008 to 2010, where he was also involved in the management of Wayco Manufacturing (M) Sdn Bhd. Between 2010 and his appointment as Chief Executive Officer of the Company, Mr Kee has not taken up full time executive position in any company. Since 2013, he has been appointed as a director at Captaino Pte Ltd and Great Rich Pte Ltd (in which he holds a minority shareholding stake), which are currently mainly investment holding companies.

The New Independent Directors are all individuals who come with certain qualifications, work experience and track record in their right although, being newly appointed, the New Board may need some time to demonstrate their ability to lead the new management of the Company ("**New Management**") to set the business direction or strategy for the Company or the Group, and it may be premature for Shareholders or other persons to question their competencies prior thereto.

#### Certain historical transactions

The Third Press Article mentioned certain historical transactions involving, *inter alia*, the Company or the Group and Lian Beng Group Ltd, including an earlier share placement made to Lian Beng Group Ltd and acquisition of an investment from Lian Beng Group Ltd.

The terms of such transactions have been previously disclosed, and the New Board is not in a position to comment on other previous deliberations relating to such transactions.

Acquisition of Wayco Manufacturing (M) Sdn Bhd (“Target Company”)

The Company’s acquisition of the Target Company was made in compliance with applicable laws and regulations, including the listing rules, and all relevant disclosures have also been made in relation thereto.

The New Board wishes to reiterate that the purchase consideration paid for the Target Company was agreed to on a willing buyer, willing seller basis and on arms-length commercial terms after taking into consideration, *inter alia*, the tangible and intangible assets of the Target Company, as further elaborated in the Company’s announcements of 12 December 2017 and 15 December 2017.

The Company will make the necessary announcements to update Shareholders on the acquisition of the Target Company in due course, as and when appropriate.

Next Steps

As previously announced, the New Board intends to take the necessary steps to convene an extraordinary general meeting to seek Shareholders’ approval, *inter alia*, for a proposed diversification of the core businesses of the Company, further details of which are to be set out in a circular to be dispatched to Shareholders in due course, and Shareholders will have opportunity to raise matters concerning the business plans or direction of the Company to the New Board and Management then.

In the meantime, the New Board and New Management hopes to focus its attention and resources on attending to, *inter alia*, the completion of the disposal of the Tai Seng Drive property and an outcome on the status of the Group’s manufacturing activities, and will make the necessary announcements to update Shareholders as and when there are material developments on the same.

BY ORDER OF THE BOARD  
Lee Kam Seng  
Chief Financial Officer and Company Secretary  
23 December 2017