

**DATAPULSE TECHNOLOGY LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number: 198002677D)  
(the “**Company**”)

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD ON THURSDAY, 14 MARCH 2019 AT 2.00 P.M. AT METROPOLITAN YMCA SINGAPORE, THE VINE BALLROOM LEVEL 2, 60 STEVENS ROAD, SINGAPORE 257854**

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**PRESENT:** Aw Cheok Huat, Chairman and Non-Executive Director  
Sin Boon Ann, Independent Director  
Loo Cheng Guan, Independent Director  
Foo See Liang, Independent Director  
Lee Kam Seng, Interim Chief Executive Officer and Joint Company Secretary  
Lee Pih Peng, Joint Company Secretary  
Please see [Appendix A](#)

**IN ATTENDANCE:** Please see [Appendix B](#)

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**1. Chairman**

Mr. Aw Cheok Huat, the Chairman presided.

**2. Quorum**

The Chairman noted that there was A QUORUM PRESENT.

**3. Notice**

The Notice of convening the Extraordinary General Meeting of the Company (“**Meeting**”) having been duly circulated to all members of the Company was, with the concurrence of the Meeting, taken as read.

**4. Meeting Proceedings**

The Chairman opened the Meeting by introducing himself, members of the Board and Mr Lee Kam Seng, the Interim Chief Executive Officer and Joint Company Secretary (“**Interim CEO**”), Ms Lee Pih Peng, the Company Secretary (“**Company Secretary**”) Ms Stefanie Thio and Mr Chee Chin Wi, the legal advisers to the Company, and Ms Foo Jien Jeng, the representative from CEL Impetus Corporate Finance, the independent financial adviser to the independent directors of the Company (“**IFA**”).

The Chairman further informed that the legal team from Rajah & Tann handling the Company’s outstanding litigation matters, and the accounting team from Ernst & Young LLP, the proposed new auditors of the Company, were present at the Meeting.

The Chairman explained that each resolution will be formally proposed and seconded prior to the question and answer (“**Q&A**”) session. The resolution will thereafter be put to vote by way of poll.

The Chairman informed shareholders of the Company (“Shareholders”) that the Meeting would be recorded for the purpose of preparing the minutes of the Meeting, and such minutes would be made available on the Company’s website in due course.

## 5. Voting by Poll

The Chairman exercised his discretion as chairman of the Meeting and directed that all the resolutions be put to vote by poll, pursuant to Article 68 of the Constitution of the Company. Kreston David Yeung PAC was appointed as the scrutineers for the conduct of the voting by poll and Complete Corporate Services Pte. Ltd. was appointed as polling agent.

The Polling Agent explained the polling procedures.

After the polling procedure was duly explained, the Polling Agent passed the chair back to the Chairman to continue with the Meeting.

## 6. Ordinary Resolution 1: To Approve the Expansion of the Company’s Property Business to include Hotels and Hospitality Assets as an Asset Class for Acquisition or Investment.

The following resolution was:

proposed by Shareholder, Sim Chor Chye; and

seconded by Proxy, Tan See Peng @ Tan Kah Hua

*“THAT (a) approval be and is hereby given, for the Company to expand its Property Business to include Hotels and Hospitality Assets as an asset class for acquisitions or investments, and for all necessary steps to be taken to obtain the necessary approval for the Proposed Business Expansion; and (b) the Directors of the Company and any one of them be and are hereby authorised to complete and do all such acts and things (including without limitation, execution of all such documents as may be required) as they and/or he may consider desirable, expedient or necessary or in the interest of the Company to give effect to this resolution.”*

The Chairman then invited questions from the floor relating to Ordinary Resolution 1.

A Shareholder noted that the Company had previously obtained a mandate from the Shareholders to conduct the Property Business (as defined in the Company’s circular dated 19 February 2019 (“Circular”)) and queried why this resolution was tabled at the Meeting. The Chairman explained that the Company’s existing mandate for the Property Business did not explicitly include hotels and hospitality assets, and the Board had thought that it would be appropriate for the sake of clarity to expressly and specifically include hotels and hospitality assets under the mandate.

A Shareholder queried whether the Company had the relevant and sufficient experience to enter into investments in hotels and hospitality assets. The Chairman explained that the existing Directors were not appointed specifically for their expertise or experience in the hotels and hospitality sector; they were appointed based on their general experience and expertise in broader fields such as commerce, business, finance, corporate governance and legal, which would serve the Company well in any event. Furthermore, the Company has also recently recruited staff with experience in property management and investment.

In response to the Shareholder's comment that the Company should have obtained the prior approval of shareholders for the expansion of the Property Business prior to the recruitment of such persons, the Chairman explained that these persons had skillset and experience in the property industry in general, and their skillset and experience would remain relevant and valuable to the Company's Property Business even if Ordinary Resolution 1 was not approved by Shareholders.

The Chairman then put Ordinary Resolution 1 to voting.

The total number of votes cast was 129,438,423. The number of votes cast "FOR" was 84,564,332, representing 65.33% of the total votes cast. The number of votes cast "AGAINST" was 44,874,091, representing 34.67% of the total votes cast. The resolution was accordingly declared as carried by a majority vote.

**7. Ordinary Resolution 2: To approve the Proposed Acquisition of a hotel located in Seoul, South Korea Operated under a local hotel brand called "Hotel Aropa".**

The Interim CEO brought the Meeting through a presentation on certain salient features of the Proposed Acquisition (as defined in the Circular). The presentation slides are attached to these minutes as Appendix C.

The following resolution was:

proposed by Shareholder, Foo Lee Fong; and

seconded by Shareholder, Phua Mui Kheng Bernadette.

*"THAT (a) approval be and is hereby given, for the purpose of Chapter 10 of the Listing Manual for the Proposed Acquisition of a hotel located in Seoul, South Korea, operated under a local hotel brand called "Hotel Aropa" for a consideration of KRW35 billion, on the terms and subject to the conditions of the RPA and the ATA; and (b) the Directors of the Company and any one of them be and are hereby authorised to complete and do all such acts and things (including without limitation, execution of all such documents as may be required) as they and/or he may consider desirable, expedient or necessary or in the interest of the Company to give effect to this resolution."*

The Chairman then invited questions from the floor relating to Ordinary Resolution 2.

Financial Performance of Hotel Aropa

A Shareholder queried whether Hotel Aropa has been profitable for the past 3 years. The Chairman informed the Shareholder that while Hotel Aropa has been profitable, the historical performance of Hotel Aropa was only one of many considerations the Board and the Management had taken into account in deciding on the Proposed Acquisition, and particularly so since the Company intends to rebrand and refurbish Hotel Aropa.

In response to further requests for disclosure of specific financial figures relating to Hotel Aropa, Ms Stephanie Thio explained that it will not be appropriate for the Board to reveal figures that are not found in Circular as such selective disclosure of information and may not be fair to the shareholders who are not in attendance at the general meeting. Ms Stephanie Thio added that

the Circular contains all material information relevant or required to be disclosed in relation to the Proposed Acquisition.

#### *Due Diligence conducted on Hotel Aropa*

In response to a query from a Shareholder on the due diligence conducted, the Chairman informed the Meeting that the Company had commissioned various established international professional consultants and advisors, covering areas relating to legal, tax, technical, and financial and independent valuation, to undertake extensive due diligence in respect to the Proposed Acquisition.

The Chairman added that certain members of the Board and the Management had made site visits to Hotel Aropa. The Management team had performed extensive research and evaluation on the Proposed Acquisition, including commissioning a report on the location of Hotel Aropa and on the Korean Hospitality Industry from a reputable consulting firm. The Chairman elaborated that the Proposed Acquisition had been structured in consultation with various tax advisors.

The Chairman assured the Shareholders that in addition to the measures undertaken by the Management, the Board had deliberated extensively over the Proposed Acquisition before it concluded that the Proposed Acquisition is in the interest of the Company.

A Shareholder shared that based on his experience working in the travel industry, he believed that Hotel Aropa was well situated, and there will be further growth in Korean tourism in view of the improving relations between China and Korea, an influx of Korean visitors from the United States, and the attractiveness of Korea to Muslim visitors in view of the availability of Halal options in Korea.

#### *Purchase Consideration*

A Shareholder queried why the Company was proposing further refurbishment works when Hotel Aropa was only recently refurbished in 2016, and commented that the true cost of acquisition may be higher if one take into account the additional capital cost or outlay required.

In response, the Chairman explained that it is proposed that Hotel Aropa be refurbished as the Company intends to optimize Hotel Aropa for operational efficiency and to match the standard of other midscale international hotels. The Chairman elaborated that the existing configuration of Hotel Aropa was more traditional, and the utilisation of Hotel Aropa's available space was not optimal.

The Shareholder went on to ask about the projected earnings of Hotel Aropa, which the Chairman expressed was not appropriate for the Board to share, due to the various regulatory requirements and restrictions that apply to such forward looking statements and profit forecasts, he assured Shareholders that Management had done their research, and analysed and produced projections on the capital requirements for the proposed refurbishment works, as well as the prospective yield of the hotel following completion of the refurbishment works.

The Chairman also highlighted that based on the valuation report commissioned by the Company, Hotel Aropa has been valued at a price higher than the purchase consideration of the Proposed Acquisition. The Company intends to fund part of the Proposed Acquisition by bank

borrowings and the valuation report had also been accepted by the various banks with which the Company had discussed the Proposed Acquisition.

The Shareholder who made the query on the projected earnings expressed that this had some bearing on the Company's dividend policy.

Agreeing with her, another Shareholder noted that the Company was proposing to acquire Hotel Aropa at a historical price earnings multiple of 75 times, which was even higher than the price earnings multiple previously paid by the Company for the acquisition of Wayco Manufacturing (M) Sdn Bhd, and expressed doubt if the proposed acquisition would turn out well.

He noted that Mr Sin Boon Ann had in the recent annual general meeting promised to review the Company's dividend policy, including the feasibility of distributing part of the Company's capital gains from the disposal of the property at 15A Tai Seng Drive to Shareholders, and enquired about the status of such review.

In response, Mr Sin Boon Ann remarked that the EGM was not the appropriate forum to discuss the issue of dividend distributions. However, Mr Sin Boon Ann assured Shareholders that the Board had conducted such review, and after examining the business strategies of the Company and the capital requirements and various financing methods (both debt and equity), the Board concluded that it would not be appropriate to declare a larger dividend for now, although it does not rule out a dividend payout in the future.

The Chairman then put Ordinary Resolution 2 to voting.

The total number of votes cast was 129,494,185. The number of votes cast "FOR" was 84,616,831, representing 65.34% of the total votes cast. The number of votes cast "AGAINST" was 44,877,354, representing 34.66% of the total votes cast. The resolution was accordingly declared as carried by a majority vote.

#### **8. Ordinary Resolution 3: To Approve the Proposed Disposal of Wayco Manufacturing (M) Sdn Bhd**

The following resolution was:

proposed by Shareholder, Tan Eng Soo; and

seconded by Shareholder, Tan Shih Ming.

*"THAT (a) approval be and is hereby given, for the disposal of Wayco Manufacturing for a consideration of S\$3,176,228, on the terms and subject to the conditions of the Wayco SPA; and (b) the Directors of the Company and any one of them be and are hereby authorised to complete and do all such acts and things (including without limitation, execution of all such documents as may be required) as they and/or he may consider desirable, expedient or necessary or in the interest of the Company to give effect to this resolution."*

Associate Professor Foo See Liang arrived at the Meeting and the Chairman introduced Associate Professor Foo See Liang to the Shareholders.

The Chairman then invited questions from the floor relating to Ordinary Resolution 3.

A Shareholder queried whether the Board would be providing Shareholders with an account of all the expenses incurred in relation to the acquisition of Wayco Manufacturing (M) Sdn Bhd (“**Wayco**”) and its proposed disposal (“**Proposed Disposal**”). In response, the Chairman informed the Meeting that the Company’s accounts will show the effects of the acquisition and Proposed Disposal of Wayco.

In response to a Shareholder’s query, the Chairman confirmed that the Proposed Disposal has not been completed as it has yet to be approved by Shareholders, hence Wayco remains within the Group and that the purchase consideration has not been received.

The Chairman then put Ordinary Resolution 3 to voting.

The total number of votes cast was 129,688,053. The number of votes cast “FOR” was 87,684,684, representing 67.61% of the total votes cast. The number of votes cast “AGAINST” was 42,003,369, representing 32.39% of the total votes cast. The resolution was accordingly declared as carried by a majority vote.

**9. Special Resolution 4: To approve the Proposed Change of Name of the Company from “Datapulse Technology Limited” to “Capiti Property Partners Limited”**

The following resolution was:

proposed by Shareholder, Sim Chor Chye; and

seconded by Shareholder, Phua Mui Kheng Bernadette.

*“THAT (a) approval be and is hereby given, for the name of the Company to be changed from “Datapulse Technology Limited” to “Capiti Property Partners Ltd”, and for all necessary requisite filings to be made; and (b) the Directors of the Company and any one of them be and are hereby authorised to complete and do all such acts and things (including without limitation, execution of all such documents as may be required) as they and/or he may consider desirable, expedient or necessary or in the interest of the Company to give effect to this resolution.”*

The Chairman then invited questions from the floor relating to Special Resolution 4.

In response to a query by a Shareholder, Ms Stephanie Thio confirmed that in the event that the name of the Company is changed, this will not trigger a delisting of the shares of the Company listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

In response to a query from another Shareholder, the Chairman explained that the change of name was proposed by the Board as the Company’s current name does not reflect the business that the Company would be doing in the future; the proposed new name, “Capiti Property Partners Limited”, will reflect its focus in the Property Business.

The Chairman then put Special Resolution 4 to voting.

The total number of votes cast was 129,601,719. The number of votes cast “FOR” was 84,411,501, representing 65.13% of the total votes cast. The number of votes cast “AGAINST” was 45,190,218, representing 34.87% of the total votes cast. As Special Resolution 4 is a special resolution, which requires the approval of not less than 75.00% of the Shareholders present and

voting at the Meeting, either in person or by proxy, the resolution was accordingly declared as not carried.

#### **10. Special Resolution 5: To Approve the Proposed Adoption of a New Constitution**

The following resolution was:

proposed by Shareholder, Foo Lee Fong; and

seconded by Shareholder, Tan See Peng @ Tan Kah Hua.

*“THAT (a) approval be and is hereby given, for the Adoption of New Constitution, and for all necessary requisite filings to be made; and (b) the Directors of the Company and any one of them be and are hereby authorised to complete and do all such acts and things (including without limitation, execution of all such documents as may be required) as they and/or he may consider desirable, expedient or necessary or in the interest of the Company to give effect to this resolution.”*

There being no questions in relation to Special Resolution 5, the Chairman put Special Resolution 5 to voting.

The total number of votes cast was 129,415,422. The number of votes cast “FOR” was 127,159,226, representing 98.26% of the total votes cast. The number of votes cast “AGAINST” was 2,256,196, representing 1.74% of the total votes cast. As Special Resolution 5 is a special resolution, which requires the approval of not less than 75.00% of the Shareholders present and voting at the Meeting, either in person or by proxy, the resolution was accordingly declared as carried.

#### **11. Ordinary Resolution 6: To Approve the Proposed Change of Auditors**

The following resolution was:

proposed by Shareholder, Foo Lee Fong; and

seconded by Shareholder, Tai How Kheng.

*“THAT (a) approval be and is hereby given, for the auditors of the Company to be changed from KPMG LLP to Ernst & Young LLP, and for all necessary requisite filings to be made; and (b) the Directors of the Company and any one of them be and are hereby authorised to complete and do all such acts and things (including without limitation, execution of all such documents as may be required) as they and/or he may consider desirable, expedient or necessary or in the interest of the Company to give effect to this resolution.”*

There being no questions in relation to Ordinary Resolution 6, the Chairman put Ordinary Resolution 6 to voting.

The total number of votes cast was 123,791,495. The number of votes cast “FOR” was 84,518,667, representing 68.28% of the total votes cast. The number of votes cast “AGAINST” was 39,272,828, representing 31.72% of the total votes cast. The resolution was accordingly declared as carried by a majority vote.

**12. Ordinary Resolution 7: To Approve the adoption of the New IPT General Mandate for Interested Person Transactions in respect of Hospitality-Related Transactions Entered into with the ICP Group**

As the Ordinary Resolution 7 relates to the approval of the New IPT General Mandate (as defined in the Circular) for interested person transactions with the ICP Group (as defined in the Circular), the Chairman passed the chair to Associate Professor Foo See Liang, Chairman of the Audit Committee of the Company, to chair the segment of the Meeting relating to Ordinary Resolution 7.

The following resolution was:

proposed by Shareholder, Chua Wee Kwang; and

seconded by Shareholder, Tai How Kheng.

*“THAT (a) approval be and is hereby given, for the adoption of the New IPT General Mandate for interested person transactions in respect of Hospitality-Related Transactions entered into with the ICP Group; and (b) the Directors of the Company and any one of them be and are hereby authorised to complete and do all such acts and things (including without limitation, execution of all such documents as may be required) as they and/or he may consider desirable, expedient or necessary or in the interest of the Company to give effect to this resolution.”*

A Shareholder noted that the Chairman had shareholding interests in both ICP Ltd and the Company, and asked if the Chairman would consider increasing his shareholding interest in the Company to the same level as his shareholding interest in ICP Ltd. In response, the Chairman noted that while his percentage shareholding interest in ICP Ltd and the Company may differ, his investment in ICP Ltd is comparable to his investment in the Company in absolute dollar value terms. The Shareholder replied that in his view, notwithstanding that the Chairman’s investment amount in both companies are similar, the Chairman may notionally benefit more from the company in which he has a greater level of shareholding if there was say a transaction which is \$100,000 above the market or where there was an overpayment. Mr Sin Boon Ann noted the Shareholder’s view but commented that there are many other factors to consider in connection with such issue.

The Shareholder added that it was premature to seek the New IPT General Mandate as the Shareholders have yet to approve the expansion of the Property Business mandate to include hotels and hospitality assets and the Proposed Acquisition. Mr Sin Boon Ann explained that as certain transactions were time sensitive, the Board is seeking Shareholders’ approval for the New General IPT Mandate at this juncture in order to ensure that the business plans of the Company will not be unnecessarily delayed and the Company would not be deprived of a transaction that may be value accretive to the Company merely on the basis that it involved an interested person. Mr Sin Boon Ann added that in considering whether the Company should adopt the New IPT General Mandate, the focus should be on whether adequate due process has been instituted to protect the interests the Company. Mr Sin Boon Ann assured Shareholders that the Audit Committee has examined the review procedures under the New IPT General Mandate and is satisfied that there are sufficient safeguards and procedures under the New General IPT Mandate to protect the Company’s interests.

A Shareholder queried why the New IPT General Mandate contemplate the outsourcing of the feasibility studies on potential hotel investments to the ICP Group when the Company has hired in-house analysts. Associate Professor Foo See Liang clarified that the Company currently does

not intend to outsource the undertaking of feasibility studies of potential hotel investment opportunities to the ICP Group. Mr Loo Cheng Guan added that the Company may obtain some assistance and advice from the ICP Group in relation to such feasibility studies, in view of ICP Group's specific industry experience. Mr Loo Cheng Guan further assured that the inclusion of such possible services to be obtained from the ICP Group does not in any way imply that the Company is committed to the ICP Group for such services.

In response to a query by a Shareholder on whether the Company will disclose any recommendations it had obtained from the ICP Group in relation to any investment opportunities, Mr Loo Cheng Guan noted that in the event that the ICP Group were to recommend an investment opportunities to the Company, the Board will independently consider the merits of the opportunity to determine whether to proceed with such investment in accordance with the relevant procedures under the New General IPT Mandate. The Shareholder commented that if any fees were paid by the Company to the ICP Group for such recommendations, such fees paid should be disclosed in the Company's annual report. Associate Professor Foo See Liang assured the Shareholder that the Company will comply with all relevant disclosure requirements under the Listing Manual of the SGX-ST and the New IPT General Mandate.

A Shareholder enquired about the criteria and selection process for the hotel operator for Hotel Aropa, and whether the Company will adopt a "fixed revenue model". In response, Associate Professor Foo See Liang stated that the questions are not pertinent to the adoption of the New General IPT Mandate, and requested that Shareholders to keep their comments and queries relevant to the resolution under consideration. Mr Sin Boon Ann added that Shareholders should focus on the review procedures under the New General IPT Mandate, and whether there is sufficient independent oversight such that the interested person is not involved in the decision-making process on the interested person transaction. Mr Sin Boon Ann emphasized that as long as a transaction is potentially value accretive to the Company, the Board should consider the transaction and should not exclude it merely on the basis that the transaction involves an interested person.

A Shareholder queried the IFA on whether an interested person transaction requiring specific shareholders' approval and an interested person transaction undertaken under the New General IPT Mandate will attract the same disclosure requirements. Mr Sin Boon Ann clarified that the Company will comply with whatever disclosure requirements are provided under the listing rules of the SGX-ST for the relevant types of interested person transactions. He added that as required under the listing rules, the IFA was engaged to opine on whether the review processes proposed under the New General IPT Mandate are sufficiently robust to ensure that transactions under the New General IPT Mandate will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, and not to opine on specific transactions.

In response to a query from a Shareholder whether any director had an interest in the Proposed Acquisition, Associate Professor Foo See Liang confirmed that there was none.

Associate Professor Foo See Liang then put Ordinary Resolution 7 to voting.

The total number of votes cast was 107,527,722. The number of votes cast "FOR" was 62,450,801, representing 58.08% of the total votes cast. The number of votes cast "AGAINST" was 45,076,921, representing 41.92% of the total votes cast. The resolution was accordingly declared as carried by a majority vote.

Associate Professor Foo See Liang returned the chair to the Chairman to chair the remainder of the Meeting.

There being no other business, the Chairman declared the Meeting closed at 6.06 p.m.

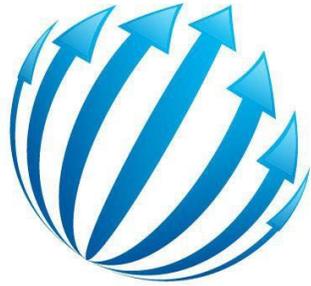
Certified correct by Mr Aw Cheok Huat, Chairman of the Company

APPENDIX A – ATTENDANCE LISTS OF DIRECTORS, SHAREHOLDERS AND PROXIES

[REDACTED]

APPENDIX B – ATTENDANCE LIST OF INDIVIDUALS IN ATTENDANCE / BY INVITATION

[REDACTED]



**DATAPULSE**  
TECHNOLOGY

# Proposed Acquisition of Hotel Aropa

**Extraordinary General Meeting**

**14 March 2019**

# Disclaimer

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This document should be considered in conjunction with the circular to shareholders of Datapulse Technology Limited ("**Company**") dated 19 February 2019 ("**Circular**") relating to, inter alia, the proposed acquisition by the Company of the (i) entire beneficial interest of the Hotel Aropa; and (ii) assets, licences, contracts and employees of the Hotel Aropa, and should be read, construed and considered in conjunction with the Circular and its proper context. Unless otherwise stated, all capitalised terms used in this document shall bear the same meaning ascribed to it in the Circular.

This document may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of the Company.

This presentation contains certain tables and other statistical analyses ("**Statistical Information**") which have been prepared by the Company. Numerous assumptions were used in preparing the Statistical Information, which may or may not be reflected herein. As such, no assurance can be given as to the Statistical accuracy, appropriateness or completeness in any particular context, nor as to whether the Statistical Information and/or the assumptions upon which they are based reflect present market conditions or future market performance. The Statistical Information should not be construed as either projections or predictions or as legal, tax, financial or accounting advice.

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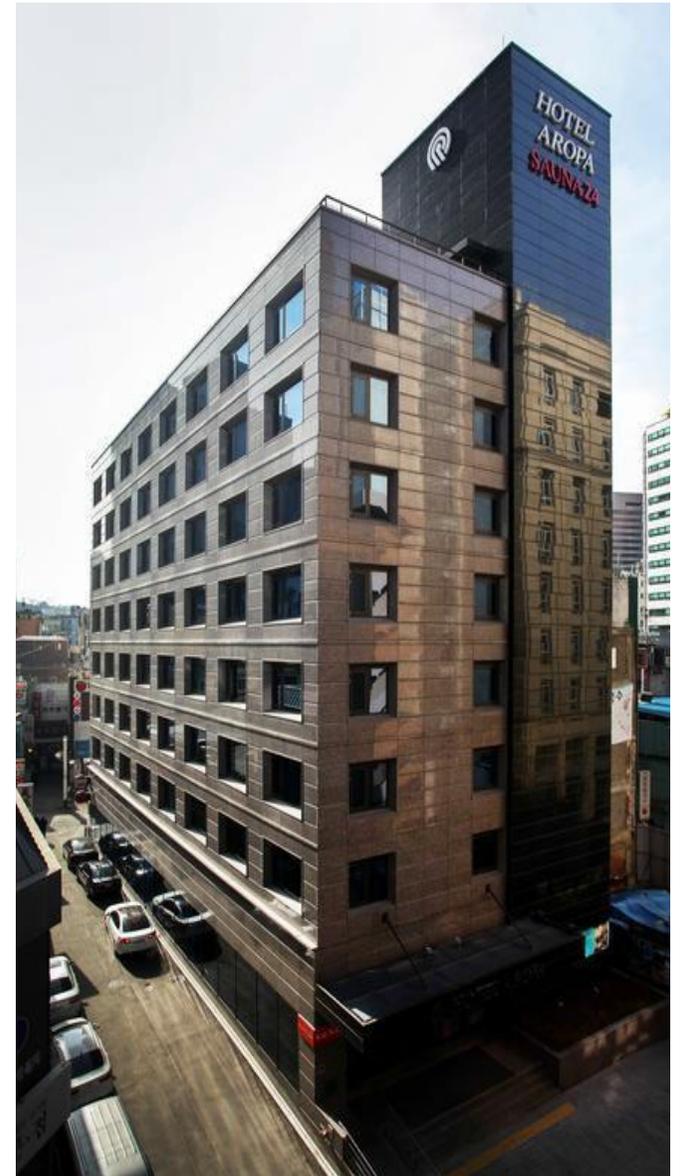
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# 1. Transaction Overview

14 March 2019

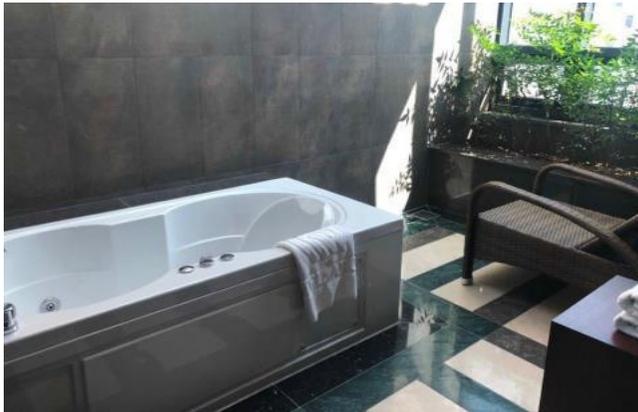
# Relatively New Asset With Freehold Land Title

<b>Rooms</b>	127 rooms
<b>Location</b>	Near the Myeongdong district in the prime Namdaemun area of Central Seoul
<b>Land Tenure</b>	Freehold
<b>Land Area</b>	Approximately 742 sqm
<b>Description</b>	<ul style="list-style-type: none"><li>▪ 11 storeys above ground</li><li>▪ 3 levels of basement</li><li>▪ Facilities include F&amp;B, Sauna, Meeting Rooms</li></ul>
<b>Current Condition</b>	Opened in 2013 (Subsequent refurbishment in 2016)



# Relatively New Asset With Freehold Land Title

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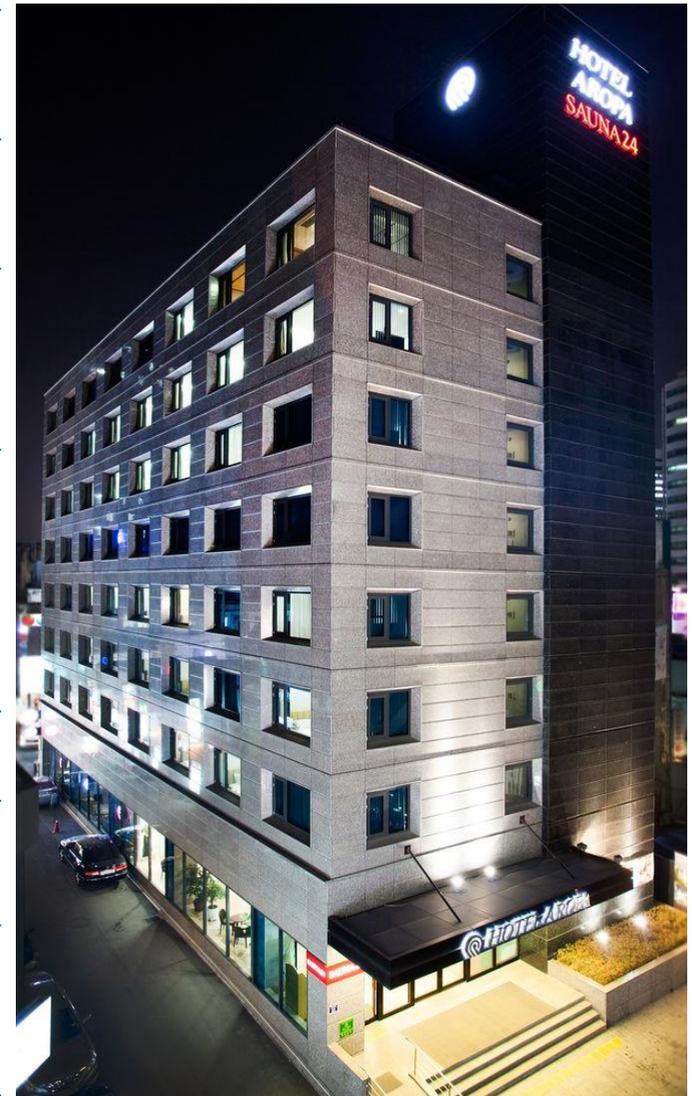


# Relatively New Asset With Freehold Land Title



# Proposed Acquisition

<b>Real Property Sale and Purchase Agreement (“RPA”)</b>	<ul style="list-style-type: none"> <li>Acquire the Hotel and all movable properties, facilities, equipment, machinery, sculptures and landscape, which are appurtenant, attached to or installed in the Hotel</li> </ul>
<b>Asset Transfer Agreement (“ATA”)</b>	<ul style="list-style-type: none"> <li>Acquire the assets, intellectual property, service contracts and employment contracts relating to the Hotel operation</li> </ul>
<b>Parties</b>	<ul style="list-style-type: none"> <li>IGIS Qualified Investors Private Placement Real Estate Investment Trust No. 247<sup>1</sup> (“<b>RPA Purchaser</b>”)</li> <li>RK One Hotel Management LLC<sup>1</sup> (“<b>ATA Purchaser</b>”)</li> <li>Hotel Prima Co. Ltd (“<b>Hotel Vendor</b>”)</li> </ul>
<b>Purchase Consideration</b>	<ul style="list-style-type: none"> <li>KRW 35 billion (approximately S\$42.7 million<sup>2</sup>)             <ul style="list-style-type: none"> <li>RPA Purchase: KRW 34.85 billion (approximately S\$ 42.5 million)</li> <li>ATA Purchase: KRW 0.15 billion (approximately S\$ 0.2 million)</li> </ul> </li> <li>Collectively, 2% discount to latest valuation on 23<sup>rd</sup> November 2018.</li> </ul>
<b>Independent Valuation</b>	<ul style="list-style-type: none"> <li>KRW 35.7 billion (approximately S\$ 43.5 million) by CBRE Korea Co. Ltd<sup>3</sup></li> </ul>
<b>Master Lease</b>	<ul style="list-style-type: none"> <li>RK One Hotel Management LLC will lease the hotel from REF Trust, and procure the services of an international hospitality management company to manage the hotel</li> </ul>
<b>Estimated Others Costs of the Acquisition</b>	<ul style="list-style-type: none"> <li>Professional Fees<sup>4</sup>: KRW 0.4 billion (approximately S\$ 0.5 million)</li> <li>Other Transaction Expenses<sup>5</sup>: KRW 2.0 billion (approximately S\$2.4 million)</li> </ul>



1. IGIS Qualified Investors Private Placement Real Estate Investment Trust No. 247 and RK One Hotel Management LLC are wholly owned by the Group
2. Based on exchange rate of SGD 1:KRW 820
3. The independent valuation report commissioned on 23 November 2018
4. Includes legal due diligence, technical due diligence, legal documentation, financial due diligence, independent valuation and market feasibility study
5. Includes acquisition tax and broker commission



**DATAPULSE**  
TECHNOLOGY

## **2. Rationale For Acquisition**

**14 March 2019**

# Rationale for Acquisition

1

## Strategic location

- Situated in between Myeongdong and City Hall Train Station, with great accessibility to the shopping belt of Myeongdong and within walking distance to office and commercial buildings in the Namdaemun and Euljiro business districts

2

## Leading tourists and global MICE destination, and a financial hub in Asia

- Seoul is a popular leisure destination with renowned tourist spots and is one of the leading financial and business centre in Asia, and one of the top MICE destinations globally

3

## Recovering hotel market supported by government initiatives

- The government implemented initiatives to boost tourism market and tourism arrivals in Seoul has shown signs of recovery after one-off events such as MERS (2015) and political tensions with China (2017)

4

## Upside potential from rebranding and repositioning

- Introduction of an internationally recognised operator may widen the appeal of the hotel and benefit from cost savings due to economies of scale typically associated with a hotel chain/group

5

## EPS accretive acquisition

- The acquisition is accretive to the EPS of the Company on a proforma basis<sup>1</sup>.

1. Please refer to the Circular for the proforma financial effects of the Proposed Acquisition and the assumptions and bases thereto.

# Strategic Location in the Heart of Seoul with Excellent Transportation Connectivity



1. Young Lotte Plaza



2. Lotte Duty Free Store



3. Shinsegae Department Store



4. Noon Square



**Legend**

- ★ Subject Property
- Subway Station



5. Namdaemum Market



6. Seoul Plaza

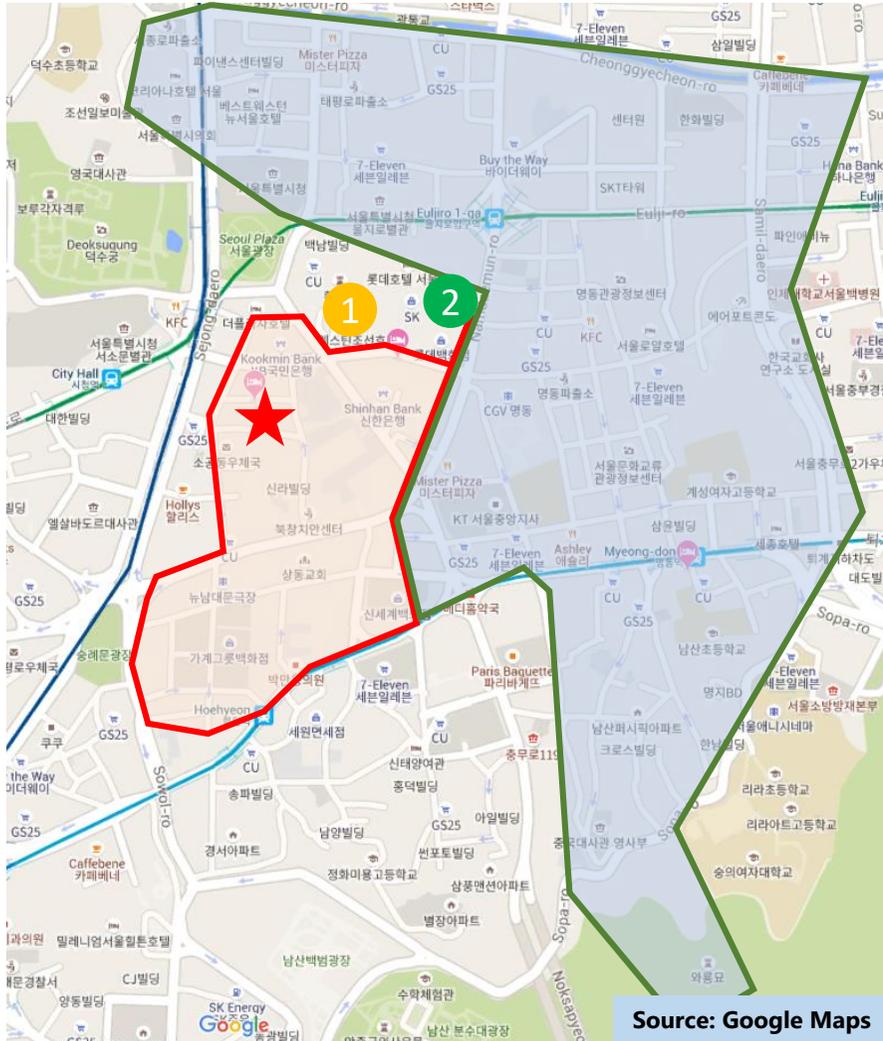


7. Deoksugung Palace



8. Myeongdong Cathedral

# Hotel Aropa's proximity to Myeongdong and Namdaemun



- Boundary of Namdaemun
- Road / Street adjacent to Myeongdong area (Google)
- Myeongdong area (Google)
- ★ Hotel Aropa
- ① Westin Chosun Hotel
- ② Lotte Duty Free

# Leading Tourist and Global MICE Destination, and a Financial Hub in Asia



**Incheon International Airport is voted the world top airport at the 2016 Airport Service Quality Awards by the Airports Council International<sup>1</sup>.**

**Recently opened Terminal 2 which can accommodate additional 18 million passengers a year<sup>2</sup>**



**Seoul is the home to the headquarters of Samsung Group and LG Group**

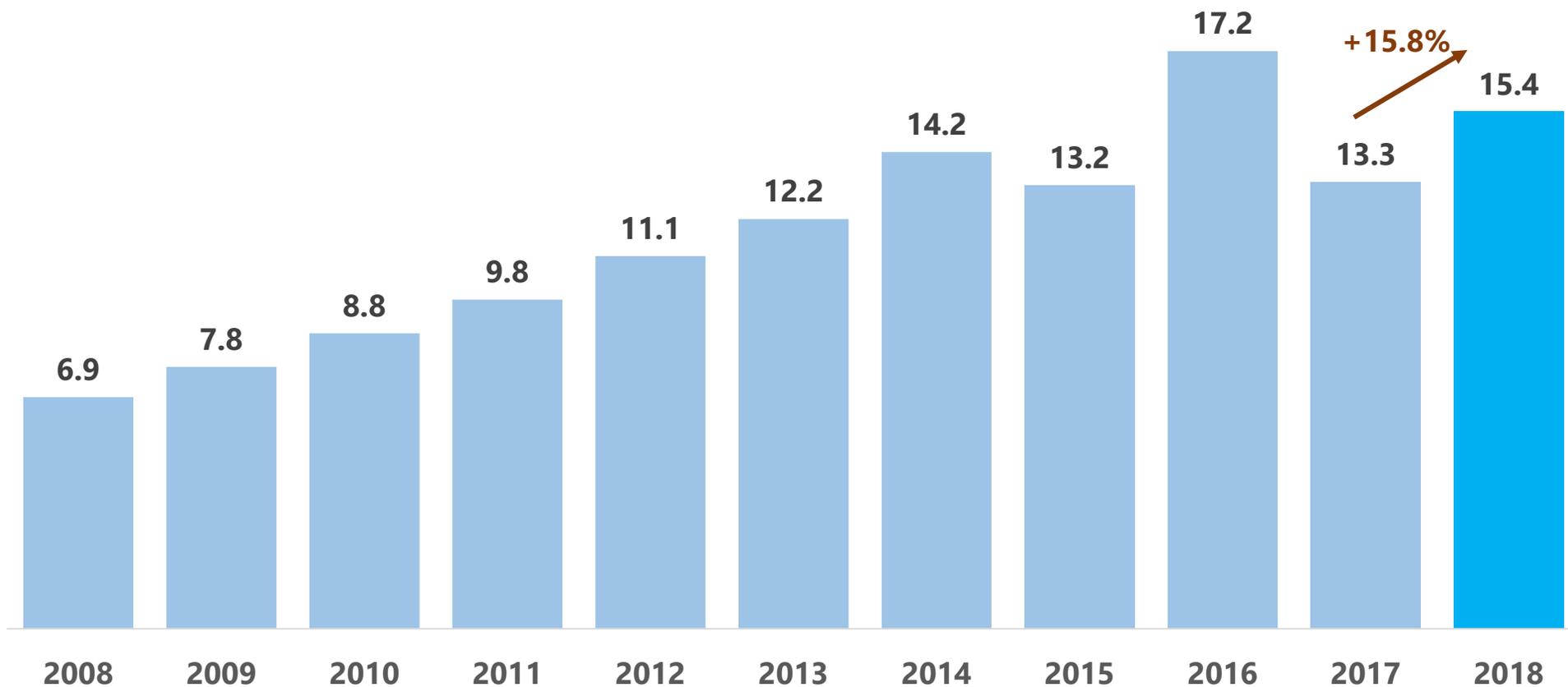


**3<sup>rd</sup> for international meetings held and 2<sup>nd</sup> for highest number of participants for international MICE in 2016<sup>3</sup>**

1. Source: Press Released entitled "Incheon Named World's Top Airport for 12<sup>th</sup> Year Running" dated March 2017 by Chosun Ilbo was extracted from the website of [http://english.chosun.com/site/data/html\\_dir/2017/03/08/2017030801565.html](http://english.chosun.com/site/data/html_dir/2017/03/08/2017030801565.html)
2. Source: Press release entitled "First look: Seoul Incheon Airport's new Terminal 2 big on high tech, art" dated 22 January 2018 was extracted from the website of <https://www.usatoday.com/story/travel/flights/todayinthesky/2018/01/22/first-look-seoul-incheon-airports-new-terminal-2-big-high-tech-art/1052965001/>
3. Source: Press Release entitled "Union of International Associations (UIA) International Meetings Statistics Report, 58th Edition" dated June 2017 by Union of International Associations was extracted from the website of [https://www.acb.at/Cms\\_Data/Contents/ACBCMSDB/Folders/UiaPressEntries/~contents/KZP2JKD9SUVCT6M7/2016\\_presetext.pdf](https://www.acb.at/Cms_Data/Contents/ACBCMSDB/Folders/UiaPressEntries/~contents/KZP2JKD9SUVCT6M7/2016_presetext.pdf)

# Recovering Hotel Market Supported by Government Initiatives

International Tourist Arrival to South Korea<sup>1</sup> (millions)

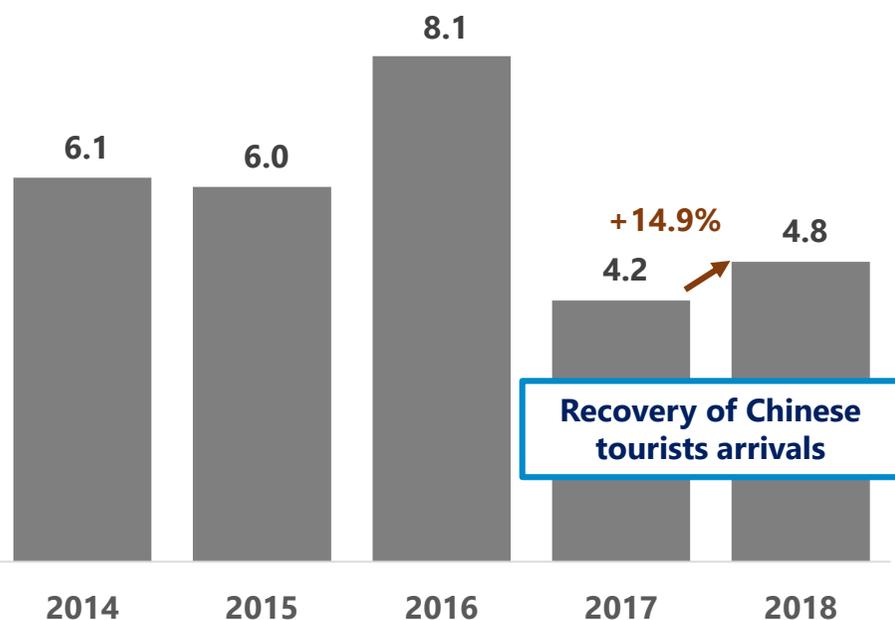


1. Source: Statistics entitled "South Korea's tourism industry – Statistics & Facts" was extracted from the website of Korea Tourism Organization, extracted from <https://kto.visitkorea.or.kr/eng/tourismStatics/keyFacts/KoreaMonthlyStatistics/eng/inout/inout.kto>

## Recovering Hotel Market Supported by Government Initiatives

- South Korea experienced a decline in visitors from China (its top source market) in 2017 due to political tensions with China<sup>1</sup>.
- Diversified visitors source by increasing visitors arrival from South-East Asia countries such as Malaysia, Thailand, Singapore and Philippines, through its marketing efforts focused on South East Asia tourists that includes issuance of e-visas to tourists from the region<sup>2</sup> and promotion of Halal tourism<sup>3</sup>.

Visitors from China to South Korea<sup>4</sup> (millions)



Visitors from ASEAN Countries<sup>5</sup> to South Korea<sup>4</sup> (millions)

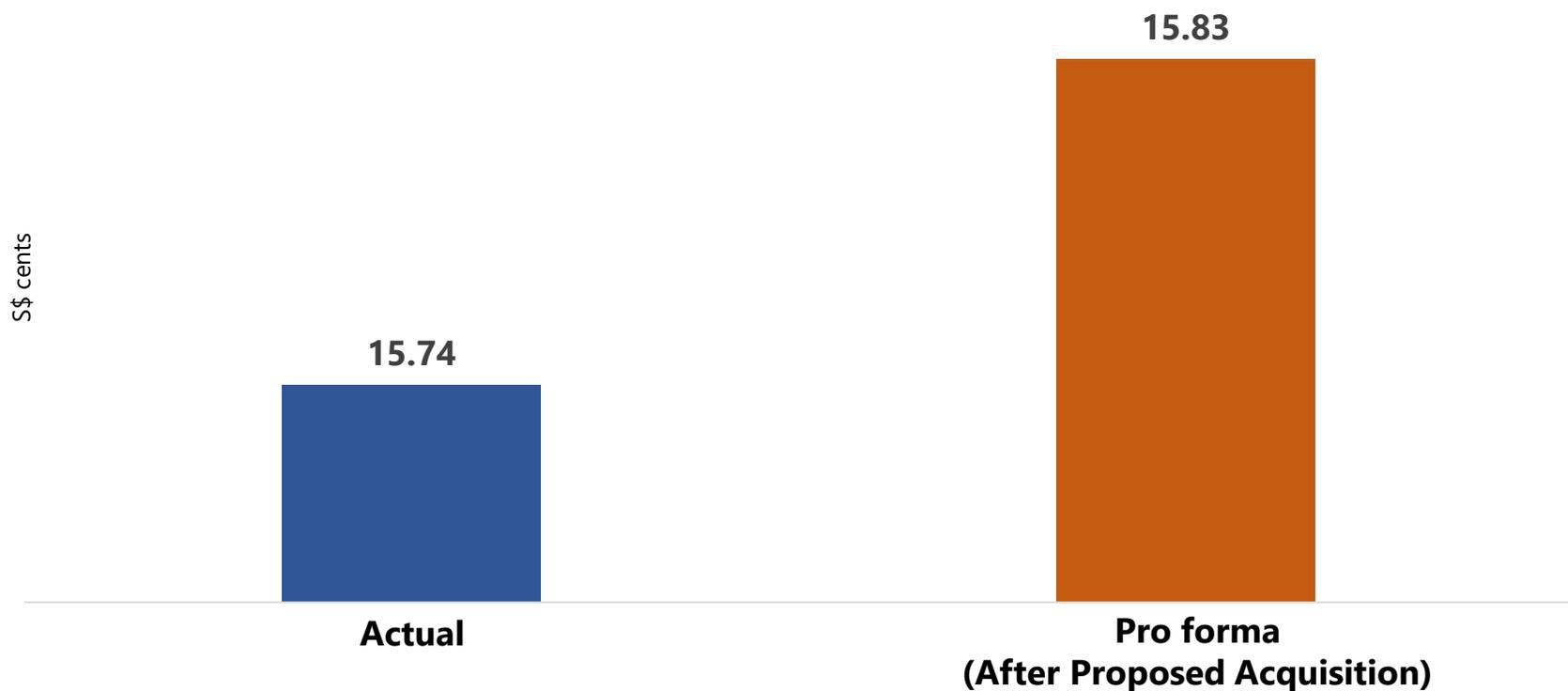


1. Source: Press Released entitled "Tensions rise again between China and South Korea" dated December 2017 by Financial Times was extracted from the website of <https://www.ft.com/content/c59b678c-e54f-11e7-97e2-916d4fbac0da>
2. Source: Press Released entitled "South Korea to issue e-visas to attract South-east Asian visitors after Thaad fallout" dated March 2017 by The Straits Times was extracted from the website of <https://www.straitstimes.com/lifestyle/travel/korea-to-issue-e-visas-to-attract-southeast-asian-visitors-after-thaad-fallout>
3. Source: Press Released entitled "After Losing Chinese Tourists, South Korea Wants to Grow Its Burgeoning Muslim Tourism Numbers"" dated October 2017 by Forbes was extracted from the website of <https://www.forbes.com/sites/rachelpremack/2017/10/19/south-korea-wants-to-solve-its-tourism-crisis-with-halal-food/#7a87f1c73640>
4. Source: Statistics entitled "South Korea's tourism industry – Statistics & Facts" was extracted from the website of Korea Tourism Organization, extracted from <https://kto.visitkorea.or.kr/eng/tourismStatics/keyFacts/KoreaMonthlyStatistics/eng/inout/inout.kto>
5. Figures taken from the website do not include tourists arrivals from Laos and Brunei. Tourist Arrival from these two countries may be insignificant and are part of "Others" in tourist arrivals statistics found on the website, which cannot be independently extracted out.

## EPS Accretive Acquisition

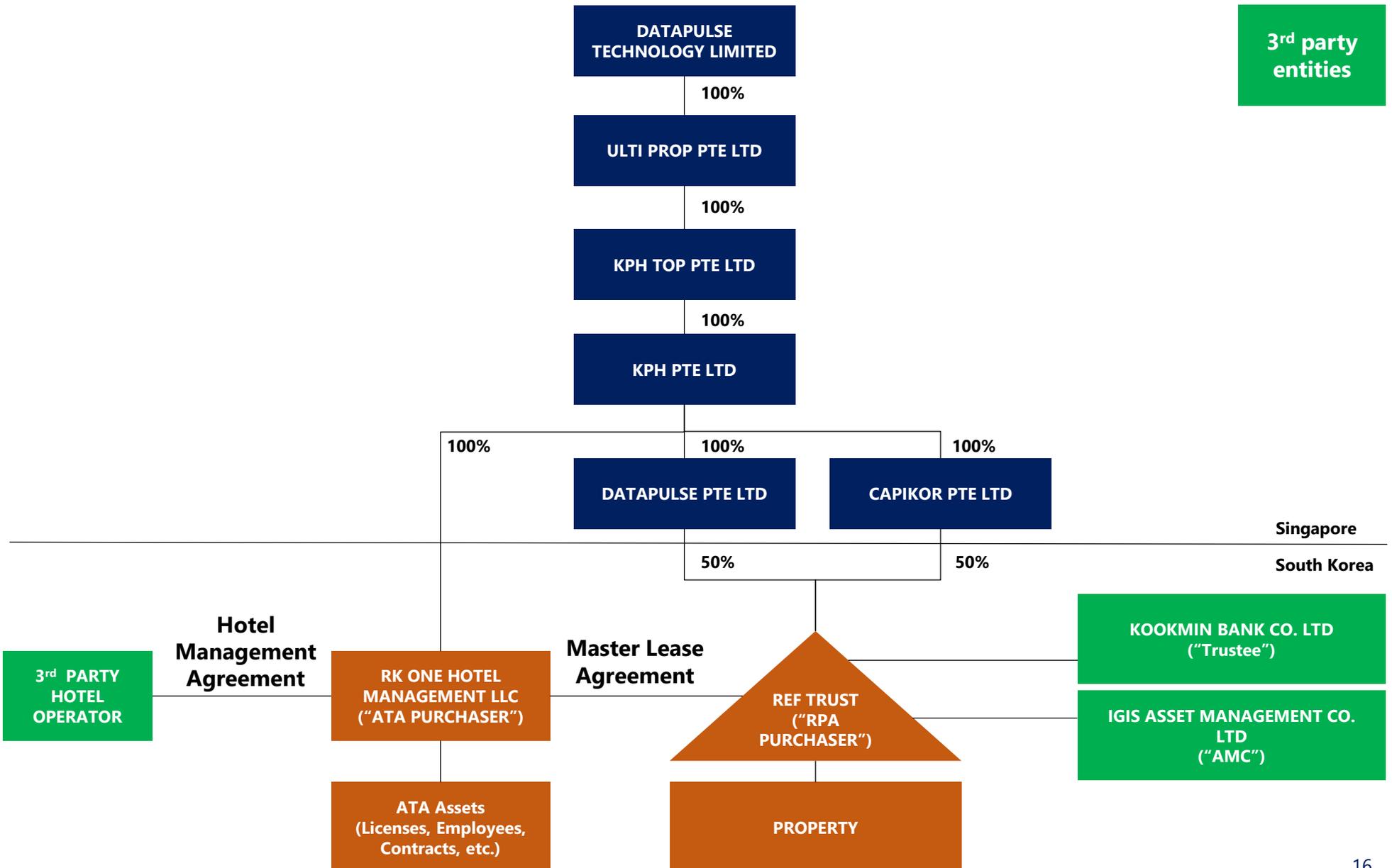
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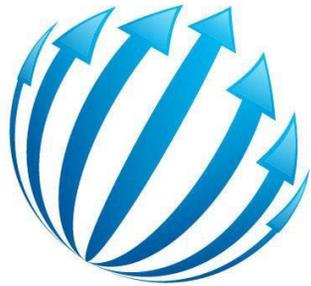
- Assuming the Proposed Acquisition had been completed at the start of FY2018, based on pro forma basis, the Proposed Acquisition is EPS accretive to the Company<sup>1</sup>.
- The Proposed Acquisition will be satisfied by the Group through a combination of internal resources and bank borrowings.



1. Please refer to the Circular for the proforma financial effects of the Proposed Acquisition and the assumptions and bases thereto.

# Anticipated Holding Structure





**DATAPULSE**  
TECHNOLOGY

