

**CIRCULAR DATED 26 MARCH 2018**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

This Circular is issued by **DATAPULSE TECHNOLOGY LIMITED** (the “Company”). If you are in any doubt in relation to this Circular or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of the Company held through The Central Depository (Pte) Limited (“CDP”), you need not forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

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DATAPULSE TECHNOLOGY

**DATAPULSE TECHNOLOGY LIMITED**

(Company Registration No.: 198002677D)  
(Incorporated in the Republic of Singapore)

**CIRCULAR TO SHAREHOLDERS  
IN RELATION TO**

**AN EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS IN RELATION TO:**

- (1) THE PROPOSED REMOVAL OF LOW BENG TIN AS DIRECTOR OF THE COMPANY;
- (2) THE PROPOSED REMOVAL OF THOMAS NG DER SIAN AS DIRECTOR OF THE COMPANY;
- (3) THE PROPOSED REMOVAL OF RAINER TEO JIA KAI AS DIRECTOR OF THE COMPANY;
- (4) THE PROPOSED REMOVAL OF WILSON TENG WAI LEUNG AS DIRECTOR OF THE COMPANY;
- (5) THE PROPOSED APPOINTMENT OF NG BOON YEW AS DIRECTOR OF THE COMPANY;
- (6) THE PROPOSED APPOINTMENT OF LOO CHENG GUAN AS DIRECTOR OF THE COMPANY;
- (7) THE PROPOSED APPOINTMENT OF NG BIE TJIN @ DJUNIARTI INTAN AS DIRECTOR OF THE COMPANY;
- (8) THE PROPOSED APPOINTMENT OF KOH WEE SENG AS DIRECTOR OF THE COMPANY;
- (9) THE PROPOSED BUSINESS DIVERSIFICATION OF THE COMPANY TO EXPAND THE COMPANY'S CORE BUSINESS TO THE PROPOSED CONSUMER BUSINESS AND THE PROPOSED INVESTMENT BUSINESS; AND
- (10) THE PROPOSED SPECIAL DIVIDEND

**IMPORTANT DATES AND TIMES**

Last date and time for lodgement of Proxy Form	:	18 April 2018 at 2.00 p.m.
Date and time of Extraordinary General Meeting	:	20 April 2018 at 2.00 p.m.
Place of Extraordinary General Meeting	:	Fuji Room, 137 Cecil Street, Hengda Building, #03-01, Singapore 069537



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## DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:–

“2Q FY 2018”	:	The second quarter of the financial year ending 31 July 2018.
“ACRA”	:	The Accounting and Corporate Regulatory Authority of Singapore.
“Act” or “Companies Act”	:	The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time.
“Audit Committee”	:	The audit committee of the Company, comprising of Mr Thomas Ng (Chairman), Mr Rainer Teo and Mr Low Beng Tin.
“Board”	:	Depending on the context, the board of directors of the Company as at the Latest Practicable Date, or as at any historical or future date under the subject of discussion (as the case may be).
“Books Closure Date”	:	A date to be determined by the Directors on which the transfer books and Register of Members of the Company will be closed for the purpose of determining the entitlements of Shareholders to the payment of the Proposed Special Dividend.
“Buyback Undertaking”	:	The undertaking given by the Vendor, pursuant to a supplemental agreement dated 15 December 2017 and entered into between the Company and the Vendor, whereby the Company shall have the right to require the Vendor to buy back 100% of Wayco at the same effective purchase consideration paid by the Company, within one year from the date of completion of the Wayco Acquisition, if the Company reasonably ascertains that there are any material adverse events or matters affecting or relating to the assets, liabilities and/or business of Wayco to such a material extent which, if it had been known to the Company as at the date of the SPA, would have reasonably affected the Company’s decision to enter into the SPA and to complete the Wayco Acquisition and/or the terms upon which it agrees to do so.
“CAGR”	:	Compound annual growth rate.
“CDP”	:	The Central Depository Pte Limited.
“Chairman”	:	The chairman of the Board or the chairman of the board of committees, as the case may be.
“Chief Executive Officer” or “CEO”	:	The chief executive officer of the Company for the time being.

“Circular”	:	This circular dated 26 March 2018.
“Code”	:	The Singapore Code of Corporate Governance 2012.
“Company”	:	Datapulse Technology Limited.
“Constitution”	:	The constitution of the Company, as may be amended from time to time.
“Controlling Shareholder”	:	<p>A person who:–</p> <p>(a) holds directly or indirectly fifteen per cent (15%) or more of the total number of issued Shares (excluding treasury shares) in the Company unless the SGX-ST determines that such a person is not a controlling shareholder of the Company; or</p> <p>(b) in fact exercises control over the Company, where “control” means the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company.</p>
“Correspondence relating to Proposed New Directors”	:	The series of correspondence between the Company and the Requisitionists relating to the Proposed Appointment of Proposed New Directors, namely the Company’s letters of 10 January 2018, 18 January 2018, and 2 February 2018, and the Requisitionists’ respective responses, thereto, dated 15 January 2018, 24 January 2018 and 5 February 2018. Copies of the Correspondence relating to Proposed New Directors is appended to this Circular as Appendix C.
“CPF”	:	Central Provident Fund.
“Disposal”	:	The sale of the Property to a third party.
“Director(s)”	:	Director(s) of the Company for the time being.
“EGM”	:	The extraordinary general meeting of the Company to be held on 20 April 2018 at 2.00 p.m., notice of which is set out in page 151 to page 153 of this Circular.
“Executive Director”	:	An executive director of the Company for the time being.
“Existing Directors”	:	Mr Low Beng Tin, Mr Thomas Ng, Mr Rainer Teo and Mr Wilson Teng.
“Existing Business”	:	Has the meaning ascribed to it in Section 1 of this Circular.
“EY”	:	Ernst & Young Solutions LLP.
“First Aggregated Major Consumer Business Acquisition”	:	Has the meaning ascribed to it in Section 11 of this Circular.

“First Aggregated Major Investment Business Acquisition”	:	Has the meaning ascribed to it in Section 11 of this Circular.
“First Major Consumer Business Acquisition”	:	Has the meaning ascribed to it in Section 11 of this Circular.
“First Major Investment Business Acquisition”	:	Has the meaning ascribed to it in Section 11 of this Circular.
“First Requisition Notice”	:	The notice of requisition from the Requisitionists dated 26 December 2017 and received by the Company on the same day, constituting as a special notice under Section 152(2) read with Section 185 of the Act. A copy of the First Requisition Notice is appended to this Circular as Appendix A.
“FY”	:	The financial year ended or ending 31 July.
“Group”	:	The Company and its subsidiaries.
“Hair Care Products”	:	Has the meaning ascribed to it in Section 6.1 of this Circular.
“Household Products”	:	Has the meaning ascribed to it in Section 6.1 of this Circular.
“Independent Director”	:	An independent director of the Company for the time being and collectively the “Independent Directors”.
“Internal Controls Review”	:	Has the meaning ascribed to it in Section 5.4 of this Circular.
“Investment Portfolio”	:	Has the meaning ascribed to it in Section 7.2 of this Circular.
“Latest Practicable Date”	:	22 March 2018
“Listed Marketable Securities”	:	Has the meaning ascribed to it in Section 7.1 of this Circular.
“Listing Manual”	:	The listing manual of the SGX-ST, as may be amended or modified from time to time.
“Ms Intan Ng”	:	Ms Ng Bie Tjin @ Djuniarti Intan.
“Mr Thomas Ng”	:	Mr Thomas Ng Der Sian.
“Mr Rainer Teo”	:	Mr Rainer Teo Jia Kai.
“Mr Wilson Teng”	:	Mr Wilson Teng Wai Leung.
“Nominating Committee”	:	The nominating committee of the Company, comprising of Mr Low Beng Tin (Chairman), Mr Thomas Ng and Mr Rainer Teo.

“No Diversification Resolution”	:	Has the meaning ascribed to it in Section 2.2 of this Circular.
“OEM”	:	Original equipment manufacturer
“Personal Care Products”	:	Has the meaning ascribed to it in Section 6.1 of this Circular.
“Property”	:	The Company’s previous headquarters and principal place of business at 15A Tai Seng Drive Singapore 535225.
“Property Related Assets”	:	Residential, commercial (retail and office), industrial and any other suitable types of properties including mixed development properties.
“Proposed Appointment of Proposed New Directors”	:	Collectively, ordinary resolutions 5 to 8, to be considered, and if deemed fit, to be approved by the Shareholders at the EGM.
“Proposed Business Diversification”	:	The proposed business diversification of the Company to expand the Company’s core business to include the Proposed Consumer Business and the Proposed Investment Business.
“Proposed Change of Board”	:	Has the meaning ascribed to it in Section 2.3 of this Circular.
“Proposed Consumer Business”	:	Has the meaning ascribed to it in Section 6.1 of this Circular.
“Proposed Investment Business”	:	Has the meaning ascribed to it in Section 7 of this Circular.
“Proposed New Businesses”	:	Depending on the context, all or any of the Proposed Property Business, the Proposed Consumer Business and the Proposed Investment Business.
“Proposed New Directors”	:	The directors recommended by the Requisitionists to be appointed to the Board. Comprising of Messrs Ng Boon Yew, Loo Cheng Guan, Intan Ng and Koh Wee Seng.
“Proposed Removal of Existing Directors”	:	Collectively, ordinary resolutions 1 to 4, to be considered, and if deemed fit, to be approved by the Shareholders at the EGM.
“Proposed Resolutions”	:	Has the meaning ascribed to it in Section 1.1 of this Circular.
“Proposed Property Business”	:	Has the meaning ascribed to it in Section 8 of this Circular.
“Proposed Special Dividend”	:	Has the meaning ascribed to it in Section 15 of this Circular.
“RHT”	:	RHTLaw Taylor Wessing LLP.



“Remuneration Committee”	:	The remuneration committee of the Company, comprising of Mr Rainer Teo (Chairman), Mr Thomas Ng and Mr Low Beng Tin.
“Requisitionists”	:	Uniseraya Holdings Pte. Ltd. and Ms Intan Ng.
“Second Requisition Notice”	:	The notice of requisition from the Requisitionists dated 20 February 2018 and received by the Company on the same day, constituting as a special notice under Section 152(2) read with Section 185 of the Act. A copy of the Second Requisition Notice is appended to this Circular as Appendix B.
“SFA”	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended or modified from time to time.
“SGX-ST” or the “Exchange”	:	Singapore Exchange Securities Trading Limited.
“SGXNET”	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST.
“Shares”	:	Ordinary shares in the capital of the Company.
“Shareholders”	:	Registered holder(s) of the Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP whose securities accounts are credited with those Shares.
“Strategic Review”	:	Has the meaning ascribed to it in Section 9.4.1 of this Circular.
“Strategic Review Report”	:	The report dated 20 March 2018 issued by EY on its findings from the Strategic Review.
“Substantial Shareholder”	:	A person who has an interest (directly or indirectly) in 5% or more of the total issued share capital of the Company.
“SPA”	:	The share purchase agreement dated 12 December 2017 entered into between the Company and the Vendor for the sale and purchase of the entire issued share capital of Wayco.
“Wayco Acquisition”	:	The acquisition of 100% of the entire issued share capital of Wayco by the Company which was completed on 15 December 2017.
“Wayco”	:	Wayco Manufacturing (M) Sdn Bhd.
“Way Company” or “Vendor”	:	Way Company Pte. Ltd.

“Wayco group of companies”	:	Prior to the Wayco Acquisition, Wayco, Way Company and Way Trading.
“Way Trading”	:	Way Trading (M) Sdn Bhd.
“Wayco Properties”	:	The real properties owned by Wayco, details of which are set out in Appendix D.

#### Currencies and units of measurements

“RM”	:	Malaysian Ringgit.
“S\$”	:	Singapore dollar.
“US\$”	:	United States dollar.
“%” or “per cent”	:	Per centum or percentage.

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term “subsidiary” shall have the meaning ascribed to it under Section 5 of the Companies Act.

Words importing the similar shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated. Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any term defined under the SFA, the Companies Act or the Listing Manual, or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the SFA, the Companies Act or the Listing Manual, or such modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in figures included in this Circular between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

## LETTER TO SHAREHOLDERS

### DATAPULSE TECHNOLOGY LIMITED

(Company Registration No.: 198002677D)

(Incorporated in the Republic of Singapore)

#### Directors:

Mr Low Beng Tin, *Chairman and Independent Non-Executive Director*  
Mr Thomas Ng Der Sian, *Independent Non-Executive Director*  
Mr Rainer Teo Jia Kai, *Independent Non-Executive Director*  
Mr Wilson Teng Wai Leung, *Chief Executive Officer and Executive Director*

#### Registered Office:

The Gateway West  
#35-00  
150 Beach Road  
Singapore 189720

26 March 2018

To: The Shareholders of Datapulse Technology Limited

Dear Sir/Madam

#### AN EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS IN RELATION TO:

- (1) THE PROPOSED REMOVAL OF LOW BENG TIN AS DIRECTOR OF THE COMPANY;
- (2) THE PROPOSED REMOVAL OF THOMAS NG DER SIAN AS DIRECTOR OF THE COMPANY;
- (3) THE PROPOSED REMOVAL OF RAINER TEO JIA KAI AS DIRECTOR OF THE COMPANY;
- (4) THE PROPOSED REMOVAL OF WILSON TENG WAI LEUNG AS DIRECTOR OF THE COMPANY;
- (5) THE PROPOSED APPOINTMENT OF NG BOON YEW AS DIRECTOR OF THE COMPANY;
- (6) THE PROPOSED APPOINTMENT LOO CHENG GUAN OF AS DIRECTOR OF THE COMPANY;
- (7) THE PROPOSED APPOINTMENT NG BIE TJIN @ DJUNIARTI INTAN OF AS DIRECTOR OF THE COMPANY;
- (8) THE PROPOSED APPOINTMENT OF KOH WEE SENG AS DIRECTOR OF THE COMPANY;
- (9) THE PROPOSED BUSINESS DIVERSIFICATION OF THE COMPANY TO EXPAND THE COMPANY'S CORE BUSINESS TO THE PROPOSED CONSUMER BUSINESS AND THE PROPOSED INVESTMENT BUSINESS; AND
- (10) THE PROPOSED SPECIAL DIVIDEND.

#### 1. INTRODUCTION

The Company was listed on The Stock Exchange of Singapore Dealing and Automated Quotation System (now known as Catalist) on 1 March 1994 and was transferred to the Mainboard of the SGX-ST on 23 November 2000. Since its listing, the Group has been principally involved in the manufacturing and sale of media storage products ("**Existing Business**"), although the Company has also previously obtained Shareholders' approval to undertake the Proposed Property Business as part of its core business with effect from 8 March 2013.

## 1.1 Proposed Resolutions

The Company is convening the EGM to be held on 20 April 2018 at 2.00 p.m. at Fuji Room, 137 Cecil Street, Hengda Building, #03-01, Singapore 069537, to consider the following ordinary resolutions:

### Ordinary Resolution 1

- (a) THAT Mr Low Beng Tin be removed as non-executive Chairman and director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies;

### Ordinary Resolution 2

- (b) THAT Mr Thomas Ng Der Sian be removed as director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies;

### Ordinary Resolution 3

- (c) THAT Mr Rainer Teo Jia Kai be removed as director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies;

### Ordinary Resolution 4

- (d) THAT Mr Wilson Teng Wai Leung be removed as director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies;

### Ordinary Resolution 5

- (e) THAT Mr Ng Boon Yew be appointed as director of the Company with effect from the date of the EGM;

### Ordinary Resolution 6

- (f) THAT Mr Loo Cheng Guan be appointed as director of the Company with effect from the date of the EGM;

### Ordinary Resolution 7

- (g) THAT Ms Ng Bie Tjin @ Djuniarti Intan be appointed as director of the Company with effect from the date of the EGM;

### Ordinary Resolution 8

- (h) THAT Mr Koh Wee Seng be appointed as director of the Company with effect from the date of the EGM;

#### Ordinary Resolution 9

- (i) THAT approval be and is hereby given for the Company to undertake the expansion and diversification of the core business(es) of the Group to include the Proposed Consumer Business and the Proposed Investment Business, subject to the Company adopting the recommendations set out in the Internal Controls Review (see Section 5.4 of this Circular); and

#### Ordinary Resolution 10

- (j) THAT a special one-tier exempt dividend be and is hereby approved and declared on the basis of S\$0.01 for each Share held by a Shareholder as at the Books Closure Date to be determined by the Board of Directors,

(collectively, the “**Proposed Resolutions**”).

The Proposed Removal of Existing Directors and Proposed Appointment of Proposed New Directors have been tabled for Shareholders’ approval at the EGM following the requisition of the Requisitionists under the Second Requisition Notice.

As mentioned in Section 3.5 of this Circular, the Board has undertaken a review of the Company’s strategy for business direction and future plans and is of the view that (i) the Company should undertake the Proposed Business Diversification to expand or diversify into the Proposed Consumer Business and the Proposed Investment Business; and (ii) the Company should re-explore developing the Proposed Property Business, for which the Company had previously obtained a mandate from Shareholders to venture into as part of its core business. Any acquisition or investment in relation to the Proposed Property Business is also subject to the Company adopting the recommendations set out in the Internal Controls Review.

The purpose of this Circular is to provide Shareholders with information relating to the Proposed Business Diversification, the Proposed Removal of Existing Directors, the Proposed Appointment of Proposed New Directors and the Proposed Special Dividend, as set out in Sections 4, 13, 14, and 15 of this Circular, respectively.

Relevant information pertaining to, *inter alia*, the nature and scope of the Proposed New Businesses are set out in Sections 6 to 8 of this Circular.

#### 1.2 Inter-conditionality

Shareholders should note that Ordinary Resolution 9 will NOT be put up for voting by Shareholders in the event:

- (a) **any of** Ordinary Resolutions 5, 6, 7 and/or 8 is passed by a majority of Shareholders present and voting (on a poll) at the EGM; and/or
- (b) **more than one of** Ordinary Resolutions 1, 2, 3 and/or 4 is passed by a majority of Shareholders present and voting (on a poll) at the EGM.

The Proposed New Directors have sought appointment to the board of directors of the Company, *inter alia*, on the premise that Company shall not carry out any diversification beyond its businesses as at 10 December 2017, until such time that a complete feasibility study of any proposed diversification has been carried out.

If the Proposed New Directors (or any of them) were to be appointed to the board of directors of the Company pursuant to the passing of the Proposed Appointment of Proposed New Directors, there would be a need to reconstitute the board of directors of the Company with the appointment of one or more of the Proposed New Directors. By not putting up Ordinary Resolution 9 for voting by the Shareholders at the EGM, the reconstituted board would be given the opportunity to reconsider the Proposed Business Diversification and decide on the appropriate course of action for the Company thereafter.

Assuming only one of the Ordinary Resolutions 1, 2, 3 and 4 is passed at the EGM, the majority of the existing board of directors of the Company will remain and will be able to implement the Proposed Business Diversification, and accordingly Ordinary Resolution 9 will be put up for voting by Shareholders.

**SHAREHOLDERS ARE ADVISED TO READ THIS CIRCULAR CAREFULLY AND IN ITS ENTIRETY BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE ORDINARY RESOLUTIONS SET OUT IN THE NOTICE OF EGM.**

## **2. REQUISITIONS**

- 2.1 The Company had received from the Requisitionists the First Requisition Notice on 26 December 2017 and, following clarifications sought by the Company as to the shareholding interests of the Requisitionists, the Requisitionists submitted the Second Requisition Notice on 20 February 2018.

As represented by the Requisitionists, as at the date of the Second Requisition Notice, the Requisitionists hold in aggregate 33,743,333 Shares representing approximately 15.4% of the total number of paid up Share of the Company carrying the right of voting at general meetings as at the date of the Second Requisition Notice.

### **2.2 The First Requisition Notice**

In the First Requisition Notice, the Requisitionists requested the Board to convene an extraordinary general meeting pursuant to Section 176 of the Act to consider the following ordinary resolutions:

- (a) the removal of Mr Low Beng Tin as non-executive Chairman and director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies;
- (b) the removal of Mr Thomas Ng Der Sian as director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies;
- (c) the removal of Mr Rainer Teo Jia Kai as director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies;
- (d) the removal of Mr Kee Swee Ann as director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies;

- (e) the appointment of Mr Ng Boon Yew as director of the Company with effect from the date of the EGM;
- (f) the appointment of Mr Loo Cheng Guan as director of the Company with effect from the date of the EGM;
- (g) the appointment of Ms Ng Bie Tjin @ Djuniarti Intan as director of the Company with effect from the date of the EGM;
- (h) the appointment of Mr Koh Wee Seng as director of the Company with effect from the date of the EGM;
- (i) that any director of the Company who may have been appointed between the date of the Requisition Notice and the date of the EGM be removed; and
- (j) that the Company shall not carry out any diversification beyond its businesses as at 10 December 2017, until such time that a complete feasibility study of any proposed diversification has been carried out, and that any proposed diversification be put before shareholders of the Company for their prior approval, and that the Directors be directed to take such steps and do all such acts and things as may be necessary or expedient to put into effect the matters set out in this resolution in the best interest of the Company and all shareholders and stakeholders (**"No Diversification Resolution"**).

On 26 January 2018, the Company informed the Requisitionists of certain irregularities in the First Requisition Notice and sought clarification from the Requisitionists in relation to the same.

### 2.3 The Second Requisition Notice

On 20 February 2018, the Company received the Second Requisition Notice from the Requisitionists. In the Second Requisition Notice, the Requisitionists requested the Board to convene an extraordinary general meeting pursuant to Section 176 of the Act to consider ordinary resolutions identical to those set out in Section 2.2 of this Circular above (save for the resolution in relation to the removal of Mr Kee Swee Ann as a director of the Company, since Mr Kee Swee Ann had resigned as Executive Director and CEO of the Company on 2 February 2018).

Pursuant to the Second Requisition Notice, the Company will be tabling the Proposed Removal of Existing Directors and the Proposed Appointment of Proposed New Directors (collectively, the **"Proposed Change of Board"**) for Shareholders to consider and if deemed fit, to approve at the EGM.

Further details of the Proposed Removal of Existing Directors are set out in Section 13 of this Circular.

Further details of the Proposed Appointment of Proposed New Directors are set out in Section 14 of this Circular.

## 2.4 No Diversification Resolution

The Board is not tabling a separate ordinary resolution in respect of the No Diversification Resolution for the purposes of the EGM nor does the Company intend to separately convene another extraordinary general meeting for Shareholders to consider and, if deemed fit, to pass, the No Diversification Resolution as the Board is of the view that:

- (a) The Company would have complied with its obligation to convene the requisitioned meeting in relation to the No Diversification Resolution through the convening of the EGM to consider, and if deemed fit, to approve the Proposed Business Diversification;
- (b) the substantive intent of the No Diversification Resolution has been complied with through the convening of the EGM for Shareholders to consider and if deemed fit, to approve the Proposed Business Diversification and the despatch of this Circular in connection therewith,

and assuming Shareholders present and voting at the EGM vote in favour of Ordinary Resolution 9 to approve the Proposed Business Diversification at the EGM, this would be tantamount or akin to Shareholders rejecting or not approving the No Diversification Resolution at the same said EGM, and vice versa.

## 3. RECENT DEVELOPMENTS

### 3.1 Disposal of Property

The Company had previously agreed to sell the Property to a third party. As announced by the Company on 31 January 2018, the completion of the Disposal took place on 31 January 2018, and the Company handed over vacant possession of the Property to the buyer on 31 January 2018.

The Board has placed the net sale proceeds of S\$52.9 million arising from the completion of the Disposal in a separate designated account where, apart from the payment for the Proposed Special Dividend, any utilisation of the remaining net sale proceeds has to be approved by the Audit Committee and has to be for the purpose of or in connection with the furtherance of the core business(es) of the Company to be approved by Shareholders and for the Proposed Property Business, for which the Company had previously obtained a mandate from Shareholders to venture into as part of its core business. The Company's other cash balance as at the Latest Practicable Date amounted to S\$31.4 million (S\$ and foreign currencies (mainly US\$)).

### 3.2 Change of Controlling Shareholder

On 22 November 2017, Mr Ng Cheow Chye, the co-founder of the Company and then Executive Director and CEO of the Company, sold his interest in the Company to Ms Ng Siew Hong. Following the foregoing transfer and the acquisition of other stakes, Ms Ng Siew Hong became the holder of approximately 29% of the issued share capital of the Company on 22 November 2017.

Ms Ng Siew Hong is a practicing certified public accountant and an investor.

### 3.3 Cessation of the Existing Business

The former management of the Company commenced the scaling down of the Company's operations in respect of the Existing Business in November last year and sales therefrom have ceased since December 2017.



The Board understands that the former management of the Company may have decided to scale down the Company's operations due to the deteriorating prospects of the business, and after assessing the outlook from customers and the prospects of the industry, and had, during a board meeting held on 8 December 2017, informed the former Board of its intention to cease manufacturing activities by 10 December 2017.

Following the staff retrenchment and disposal of manufacturing equipment initiated under the previous management, the manufacturing activities at the Property ceased by the end of December 2017.

As at the Latest Practicable Date, the Company does not have any manufacturing activities and does not have any remaining manufacturing staff in respect of the Existing Business. The Company has also disposed of its manufacturing equipment for the Existing Business, save for some plant and equipment relating to its Blu-Ray manufacturing facilities which has been fully impaired under the Company's 2Q FY2018 financial results as announced on 15 March 2018.

Subsequent to its appointment on 11 December 2017, the Board had announced on 12 December 2017 that it was re-evaluating the feasibility of continuing the Group's manufacturing activities.

As the Company still retains part of its manufacturing equipment, there may be a possibility that the Company could consider re-starting manufacturing activities if it can find suitable premises to relocate to, although that would depend, *inter alia*, on how soon this can be done, and any changes to the Company's business direction or strategy in the meantime.

The determination of an appropriate location will depend, *inter alia*, on the amount of resources which the Company intends to deploy on restarting the Existing Business, which may in turn depend on whether Shareholders approve the Proposed Business Diversification, and hence the Board has not actively pursued the search for alternative premises as at the Latest Practicable Date.

The Board is of the view that while it is not advisable for the Company to rely on the Existing Business as its sole or primary core business, the Company should not totally preclude the possibility of restarting the Existing Business, since the Company has a long history in the industry and has an established customer base and network, but this would also depend on whether Shareholders were to approve the Proposed Business Diversification at the EGM.

#### 3.4 Acquisition of Wayco

The Company completed the Wayco Acquisition on 15 December 2017. Details of the Wayco Acquisition are set out in Section 10 of this Circular.

#### 3.5 Proposed Business Diversification

With the completion of the Disposal, the Company's Existing Business is currently dormant. The Company still retains part of its manufacturing equipment, and there may be a possibility that the Company could consider re-starting manufacturing activities if it can find suitable premises to relocate to, although that would depend, *inter alia*, on how soon this can be done, and any changes to the Company's business direction or strategy in the meantime.

Even assuming the Company can re-commence the Existing Business, given the deterioration in the Company's financial results in recent financial years and the increasingly challenging conditions that the Group faces in the media storage products

industry, the Board has come to a view that it may not be viable for the Company to engage in the Existing Business as its sole or primary core business due to the limited prospects for profitability and/or growth for the Existing Business.

Accordingly, the Board is proposing that (i) the Company undertakes the Proposed Business Diversification to expand or diversify into the Proposed Consumer Business and the Proposed Investment Business; and (ii) the Company re-explores developing the Proposed Property Business, for which the Company had previously obtained a mandate from Shareholders to venture into as part of its core business. Further details of the rationale for developing the Proposed New Businesses are set out in Section 5 of this Circular.

### 3.6 First Requisition Notice

First Requisition Notice was received on 26 December 2017.

### 3.7 Release of Q1 Results

The Company's revenue declined by 31% for its 1Q FY2018 financial results even though the first quarter of its financial years had historically been the best quarter in terms of revenue and profit, and the Company also had to recognise an impairment loss of S\$1.4 million during the quarter taking into consideration, *inter alia*, the anticipated contributions from certain of the Company's manufacturing activities.

On 13 January 2018, the Company released its financial results announcement for the first quarter of the financial year ending 31 July 2018 ("**1Q FY2018**").

### 3.8 Appointment of Chief Executive Officer

Following the resignation of Mr Kee Swee Ann on 2 February 2018 due to medical reasons, Mr Lee Kam Seng was appointed as Interim CEO.

On 19 March 2018, Mr Wilson Teng was appointed CEO of the Company and consequently Mr Lee Kam Seng relinquished his position as Interim CEO on the same day.

### 3.9 Second Requisition Notice

The Second Requisition Notice was received on 20 February 2018 following clarifications sought by the Company as to the shareholding interests of the Requisitionists.

### 3.10 Strategic Review

The Company commissioned EY to undertake the Strategic Review to review the options available for Wayco to develop its sales and distribution capabilities in the mid to long term, including whether to independently develop sales and distribution channels on its own, or to take over existing channels, *inter alia*, through an acquisition of Way Company and/or Way Trading. Please refer to Section 9.4 of this Circular for further details on the findings from the Strategic Review and an extract of the Strategic Review Report is set out in Appendix F of this Circular.

### 3.11 Internal Controls Review

On 23 February 2018, SGX-ST issued a Notice of Compliance to the Company requiring the Company to appoint independent professional(s) by 9 March 2018 (which was extended to 11 March 2018) to undertake an independent review of such matters as set out in the Notice of Compliance, and pursuant thereto, RHT was appointed to carry out the Internal Controls Review on 11 March 2018. Please refer to Section 5.4 of this Circular for further details of the scope of the Internal Controls Review.

### 3.12 Release of 2Q FY2018 Results

On 15 March 2018, the Company released its 2Q FY2018 financial results whereby it was announced that the Group recognised a net profit of S\$38.1 million in 2Q FY2018 as compared to a net loss of S\$0.7 million in 2Q FY2017. Excluding the gain on the Disposal of S\$44.6 million, the Group would have recognised a loss before tax of S\$6.0 million. Such loss was mainly due to the redundancy payments relating to the scaling down and subsequent cessation of the Company's manufacturing activities. The results of operations from Wayco's business did not contribute to any of such loss.

### 3.13 SIAS Dialogue Session

The Company will be holding a dialogue session with its Shareholders in collaboration with the Securities Investors Association Singapore ("**SIAS**") on 26 March 2018 to engage Shareholders on recent events, including the Proposed Business Diversification.

## 4. PROPOSED BUSINESS DIVERSIFICATION

The Proposed Business Diversification, if approved by Shareholders at the EGM, will enable the Company to expand and diversify its core business to undertake the Proposed Consumer Business and/or carry on the Proposed Investment Business as part of the Company's core business(es).

The Proposed Consumer Business includes the manufacturing of hair care, cosmetics and other household chemical products carried on by Wayco, a company incorporated in Malaysia and a wholly owned subsidiary of the Company which the Company acquired on 15 December 2017. Further details on Wayco and its business are set out in Section 9.2 of this Circular. Further details of the scope of the Proposed Consumer Business are set out in Section 6 of this Circular.

Apart from the Proposed Consumer Business, the Company may also expand or diversify into the Proposed Investment Business should opportunities arise for the same. Further details of the scope of the Proposed Investment Business are set out in Section 7 of this Circular.

## 5. RATIONALE FOR PROPOSED BUSINESS DIVERSIFICATION AND UNDERTAKING OF PROPOSED NEW BUSINESSES

5.1 The Board is of the view that the undertaking of the Proposed Business Diversification and the Proposed New Businesses is in the interests of the Company and Shareholders, *inter alia*, for the following reasons:

### (a) Reduce reliance on Existing Business

The Existing Business is currently dormant and although the Company still retains part of its Blu-Ray manufacturing equipment, the possibility of the Company re-starting the manufacturing activities is conditional upon, *inter alia*, whether it can find suitable premises, and how soon this can be done.

Even assuming the Company can recommence the Existing Business, there is limited growth or prospects in the Existing Business, and the Company may be faced with diminished revenue and/or profitability if it continues to rely on the Existing Business as its sole or primary core business.

Accordingly, the Board is of the view that is necessary and prudent for the Company to reduce its reliance on the Existing Business to pursue performance and growth in the future through other avenues. Developing new core business(es) in relation to the Proposed Property Business and the Proposed Consumer Business and/or the Proposed Investment Business, assuming the Proposed Business Diversification is approved by Shareholders at the EGM, will enable the Company to develop other business activities which may potentially enhance the revenue and/or profitability of the Company and/or optimise returns for the Company and its Shareholders.

(b) Flexibility

Obtaining Shareholders' approval for the Proposed Consumer Business and the Proposed Investment Business as part of the core business(es) of the Company under the Proposed Business Diversification will afford the Company the flexibility to enter into transactions relating to such businesses in the ordinary course of its business without having to seek specific Shareholders' approval for such transactions before it can be effected or completed.

Upon approval by the Shareholders of the Proposed Business Diversification, the Company may, in the ordinary course of business, enter into transactions relating to the Proposed Consumer Business and/or the Proposed Investment Business that will not change the Company's risk profile, without having to seek Shareholders' approval, notwithstanding that any relative figure(s) under Rule 1006 of the Listing Manual exceeds 20.0%. This will substantially reduce the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Company.

This is particularly relevant in the case of the Proposed Investment Business, where investment or business opportunities are often time-sensitive in nature and will substantially reduce the expenses associated with convening general meetings from time to time.

In the event that Shareholders approve the Proposed Business Diversification, SGX has required the Company to seek Shareholders' approval for the First Major Consumer Business Acquisition, First Major Investment Business Acquisition, First Aggregated Major Consumer Business Acquisition or First Aggregated Major Investment Business Acquisition, as the case may be. Please see Section 11 of this Circular for further details of the foregoing.

(c) Better prospects

Pursuant to Rule 1018(2) of the Listing Manual, SGX-ST may suspend trading of the listed securities of a listed issuer where there is a change in the issuer's assets that produces a situation where its assets consist wholly or substantially of cash or short-dated securities unless the controlling shareholder(s) of the issuer agree to subject their shares to a moratorium until such time the issuer acquires a business which is able to satisfy the SGX-ST's requirements for a new listing within the prescribed time period.

If the Company is unable to meet the requirements for a new listing within the prescribed time period (12 months from the time it becomes a cash company with a maximum 6-month extension), the Company may be subject to delisting, and the Company will be required to make a cash exit offer to shareholders if it is delisted.

With the completion of the Disposal, the Company's assets currently comprise mainly cash, its investment in Wayco and some plant and equipment relating to its Blu-Ray manufacturing facilities which has been fully impaired under the Company's 2Q FY2018 financial results as announced on 15 March 2018. As announced by the Company on 30 January 2018, part of the reasons why the Board had decided to make the Wayco Acquisition was because the Board realized that with the then impending Disposal, the Company faced the risk of being deemed a cash company, and potentially having to undergo a voluntary liquidation and distribution of its excess cash to Shareholders if it ceased to have an operating business which, in the Board's view, is not in the interests of the Company or Shareholders.

The Board is of the view that there is a reasonable opportunity (*inter alia* for reasons as further elaborated below) of the Company being able to secure better prospects and Shareholders being able to secure a better return on their investment if the Company were to pursue new business opportunities under the Proposed New Businesses, as compared to, *inter alia*, Shareholders merely receiving the break-up value upon a liquidation of the Company, in the event of the Company being deemed a cash company under the Listing Manual.

For the Proposed Consumer Business, there is expected growth in the hair care market in Malaysia which Wayco may take advantage of to facilitate or aid it in transforming into a value chain play (please refer to Section 9.4 of this Circular for findings from the Strategic Review in connection with this).

In relation to the Proposed Investment Business and Proposed Property Business, the Board is of the view that subject to, *inter alia*, market conditions and appropriate investment decision(s), there is opportunity for the Company to make investments in Listed Marketable Securities and/or Property Related Assets which may potentially yield returns for the Company which are comparable to or more attractive than placing the Company's funds on deposits.

While the Board has considered the possibility of distributing back to Shareholders, cash (beyond the Proposed Special Dividend) which is excess or surplus to the Company's requirements or needs, it is not practicable to do so at this juncture because, assuming Shareholders approve the Proposed Business Diversification at the EGM, the Board will need to assess and determine what may be the funding requirements, *inter alia*, for the Proposed Consumer Business and the Proposed Investment Business which may in turn depend, *inter alia*, on what may be the possible business opportunities arising for such businesses.

## 5.2 Funding and Management of the Proposed New Businesses

### (a) Funding of Proposed New Businesses

The funding required for the Proposed New Business will come mainly from the Company's internal sources of funding after taking into account the net sale proceeds from the Disposal and the Proposed Special Dividend although the Company may also secure borrowings for such purpose depending on the funding requirements and/or structure for the relevant Proposed New Business.

(b) Management of Proposed New Businesses

Assuming the Proposed Business Diversification is approved by Shareholders at the EGM, the Board is confident that the Executive Director and CEO, Mr Wilson Teng, will be able to spearhead the management and development of the hair care business under Wayco.

Although Mr Wilson Teng may not have direct experience in the hair care industry, Mr Wilson Teng has extensive sales management and strategy experience, cultivating and managing business and sales management teams that focused on addressing new markets. Please refer to Section 13.2 of this Circular for details on the qualifications, background and experience of Mr Wilson Teng.

As for the rest of the Proposed Consumer Business, the Proposed Property Business and the Proposed Investment Business, the Company intends to explore a possible expansion or diversification into such businesses only if and when suitable opportunities arise for the same.

The Board is optimistic that the relevant experience and expertise required can be acquired and developed by the Company over time as it progresses in the relevant Proposed New Businesses. The Board comprises individuals with varied qualifications and experience, including experience in the fund/asset management industry (particularly in the case of Mr Rainer Teo), corporate finance and audit/accounting industry (particularly in the case of Mr Thomas Ng), general corporate/commercial/industry experience (particularly in the case of Mr Low Beng Tin) and sales management and strategy (particularly in the case of Mr Wilson Teng), and will be capable of providing the strategic vision and policy required for the Proposed New Businesses to be successful. Please refer to Section 13.2 of this Circular for details on the qualifications, background and experience of Mr Rainer Teo, Mr Thomas Ng and Mr Low Beng Tin.

The Company intends to engage in the Proposed New Businesses incrementally; it will monitor developments and progress in the Proposed New Businesses and take necessary steps to identify and hire suitable candidates, both from within the Company and externally, to manage and expand the Proposed New Businesses.

The Company may foster partnerships and/or make strategic alliances with various third parties in the relevant industries to manage and grow the Proposed New Businesses. Such partnerships/alliances may be done either on a case by case basis or on a term basis. The Company may also outsource certain work to reputable third parties who have expertise in the relevant area. In selecting a third party to partner or make an alliance with, the Company will take into account the specific expertise and competencies required, as well as the third party's experience, reputation and financial standing.

5.3 Actions Pending Approval of Proposed Business Diversification

Pending approval of the Proposed Business Diversification, *inter alia*, to venture into the hair care business, the Board has taken the following steps in relation to the utilisation and safeguarding of the Company's assets:

- (a) To limit the Company's financial exposure to Wayco's business even though Wayco is now a subsidiary of the Company, the Board has directed and instructed Management



not to commit any further investment in or provide any funding for Wayco or its business pending Shareholders' approval to be obtained for the Proposed Business Diversification.

- (b) The Board has placed the net sale proceeds arising from the completion of the Disposal in a separate designated account where, apart from the payment for the Proposed Special Dividend, any utilisation of the remaining net sale proceeds has to be approved by the Audit Committee and has to be for the purpose of or in connection with the furtherance of the core business(es) of the Company to be approved by Shareholders.

#### 5.4 Internal Controls Review

On 23 February 2018, SGX-ST issued a Notice of Compliance to the Company requiring the Company to appoint independent professional(s) to undertake an independent review of the following matters:

- (a) Determine the facts and circumstances surrounding the Board's approval for the Wayco Acquisition;
- (b) Review the adequacy of the Company's internal policies, processes and procedures relating to the evaluation and approval of mergers and acquisitions, and conflicts of interest;
- (c) Review the Company's processes relating to board appointment and nomination of directors by shareholders; and
- (d) Make recommendations on improvements to internal controls and corporate governance practices.

On 11 March 2018, the Company announced the appointment of RHT to carry out a review (the "**Internal Controls Review**") which covers the following:

- (a) Determine the facts and circumstances surrounding the Board's approval for the Wayco Acquisition;
- (b) Review the adequacy of the Company's internal policies, processes and procedures relating to the evaluation and approval of mergers and acquisitions, and conflicts of interest since 23 November 2000, being the date on which the Company was transferred to the Mainboard of the SGX-ST ("**Mainboard Listing Date**");
- (c) Review the Company's processes relating to the change(s) of the board, including appointment and nomination of directors by shareholders since the Mainboard Listing Date; and
- (d) Make recommendations on improvements to internal controls and corporate governance practices.

As announced by the Company on 11 March 2018, the Company has in recent years undertaken acquisitions and disposals other than the Wayco Acquisition, and the Board is therefore of the view that the review of the Company's internal policies, processes and procedures relating to the evaluation and approval of mergers and acquisitions and conflicts of interest should commence from the Mainboard Listing Date, in order for RHT to arrive at more holistic recommendations on improvements to internal controls and corporate governance practices.

Further, as announced by the Company on 7 February 2018, the Board had previously tried to seek clarifications from Ms Intan Ng as to the circumstances of her departure from the Company in 2014, and the Board is of the view that expanding the scope of the Internal Controls Review to include the review of Company's processes relating to terminations, resignation and removal of directors, in addition to the appointments and nominations of directors, will allow RHT to arrive at more holistic recommendations on improvements to internal controls and corporate governance practices.

The partner from RHT in charge of the Internal Controls Review is Mr Tan Chong Huat and he is assisted by Mr Chew Kok Liang, Mr Raymond Ting and Ms Charlotte Tan. The Internal Controls Review will be conducted in two parts: the first part will cover the scope in respect of the matters as required under the Notice of Compliance ("**NOC Scope**"), with the remainder of the Internal Controls Review to be covered in the second part. It is currently contemplated that RHT will report its findings on the NOC Scope to the Audit Committee of the Company and SGX within a month from the date of engagement.

Shareholders should note that the mandate for the Proposed Business Diversification is conditional upon the Company adopting all the recommendations on improvements to internal controls and corporate governance practices of RHT arising from the Internal Controls Review.

The Company will also not commence its Proposed Property Business which was previously approved by Shareholders on 8 March 2013, until it has adopted all the recommendations on improvements to internal controls and corporate governance practices of RHT arising from the Internal Controls Review.

#### 5.5 Conditionality

Shareholders are reminded that the Proposed Business Diversification will **NOT** be put up for voting by Shareholders in the event that **more than one of** Ordinary Resolutions 1, 2, 3 and/or 4 (relating to the Proposed Removal of Existing Directors) is passed by a majority of Shareholders present and voting (on a poll) at the EGM, so Shareholders who are in favour of the Proposed Business Diversification should NOT vote for Ordinary Resolutions 1, 2, 3 and/or 4 at the EGM.

Assuming only one of Ordinary Resolutions 1, 2, 3 and 4 is passed at the Company EGM, the majority of the existing board of directors of the Company will remain and will be able to implement the Proposed Business Diversification, and accordingly the Proposed Business Diversification will be put up for voting by Shareholders.

**Shareholders should note that by voting for the Proposed Business Diversification at the EGM, they are indirectly rejecting or not approving the No Diversification Resolution. Conversely, if Shareholders agree with the No Diversification Resolution, they should not vote for the Proposed Business Diversification at the EGM.**

### 6. PROPOSED CONSUMER BUSINESS

#### 6.1 Scope of Proposed Consumer Business

The proposed consumer business to be undertaken by the Company under the Proposed Business Diversification will include any and all manufacturing, production, assembly, packaging, storage, sales, marketing, distribution, research and development, design or formulation or licensing in respect of or otherwise relating to any or some or all of the following products:



- (a) Hair care products such as shampoos, conditioners, hair styling products, such as hair gel, hair spray, hair mousse and other products for treatment of hair (collectively, the **“Hair Care Products”**);
- (b) Skin care, cosmetic, beauty and body products, including without limitation, facial and body cleansers, shower gel, soaps, lotions, creams, moisturisers, deodorants and hygiene products (collectively the **“Personal Care Products”**); and
- (c) Household cleaning and maintenance products, including without limitation, floor cleaners, detergents, dishwashing, laundry and other household or home care products (collectively the **“Household Products”**),

and/or any and all other businesses or activities which, is arising from or in connection with, related, ancillary or incidental to all of any of the foregoing (collectively, the **“Proposed Consumer Business”**).

## 6.2 Personal Care Products and Household Products

Although Wayco predominantly manufactures Hair Care Products, it also manufactures some Personal Care Products and Household Products.

Apart from existing Personal Care Products and Household Products produced by Wayco, the Company intends to undertake the Proposed Consumer Business, *inter alia*, by exploring the possibility of diversifying into the manufacture, marketing, sales and/or distribution of other Personal Care Products and Household Products.

Such diversification could come about, *inter alia*, through the Company’s own research and development efforts and/or through collaborations with other industry partners, and may either be on an OEM basis and/or through establishing our own brand names/trademarks.

In terms of target customers, the Company may explore selling to established distributors and/or trading houses, and/or to establish retail outlets or distribution network or facilities for trading, distribution and retail of its products.

## 6.3 New Ventures

The Company may also, as part of the Proposed Consumer Business, collaborate with an established player in the consumer goods industry, either through joint ventures, partnerships, cooperation and/or strategic alliances, to manufacture, market and retail Hair Care Products, Personal Care Products and/or Household Products and/or acquire, invest in or dispose of shares or interests in any entity that is in the Proposed Consumer Business and/or ancillary businesses operating in the Proposed Consumer Business and/or industry (collectively, the **“New Ventures”**).

Before undertaking any New Venture, the Company may consider various factors such as financial forecasts, risk analysis, market study, background of the collaborating company, funding needs, growth potential and projected returns of the New Venture to decide on the nature and extent of the Company’s involvement in such New Venture.

The Company does not plan to restrict the Proposed Consumer Business to any specific geographical market. Any investment or venture will be evaluated and assessed by the Board on its merits.

## 7. PROPOSED INVESTMENT BUSINESS

### 7.1 Scope of Proposed Investment Business

The Company intends to undertake the proposed investment business under the Proposed Business Diversification (“**Proposed Investment Business**”) by investing, acquiring or disposing of, or trading, directly or indirectly, from time to time in publicly listed securities and instruments including without limitation equities, funds and debentures (including convertible bonds) (collectively, the “**Listed Marketable Securities**”).

It is envisioned that the investment portfolio of the Proposed Investment Business will be initially focused on short-to-medium term investments in Listed Marketable Securities in Singapore and South-east Asia, as these types of quoted equity securities tend to possess greater liquidity.

### 7.2 Investment Criteria and Parameters

In undertaking the Proposed Investment Business, the Company will follow the following investment criteria and parameters:

- (a) The quantum of the Investment Portfolio in any single investee company shall not exceed 5% of the last audited net asset value of the Company;
- (b) The aggregate quantum of the entire Investment Portfolio shall not exceed 20% of the last audited net asset value of the Company; and
- (c) The Company shall not acquire a majority interest or any active management control in any of the investee companies under the Investment Portfolio.

(“**Investment Portfolio**” means the Listed Marketable Securities acquired or to be acquired by the Company from time to time in accordance with the mandate and guidelines relating to the Proposed Investment Business as set out under this Section 7 of the Circular. For the avoidance of doubt:–

- (a) The acquisition of Listed Marketable Securities and/or the making of investments by the Company from time to time which fall within the ambit of the Proposed Consumer Business and/or the Proposed Property Business, shall not be deemed as part of the Investment Portfolio; and
- (b) Nothing shall preclude or restrict the Company from the acquisition of Listed Marketable Securities and/or the making of investments by the Company from time to time, provided that the Company complies with all applicable rules and regulations, including without limitation complying with the requirements of Chapter 10 of the Listing Manual relating to acquisitions and disposals.)

Save as aforesaid, the Company does not plan to restrict the Proposed Investment Business to any specific business sector, industry or geographical market as each allocation of funds (for a certain investment class) or investment under the Proposed Investment Business would be evaluated and assessed by the Board on its own merits.

In making its assessment on each such allocation or investment, the Company will consider the relevant market conditions, growth potential, projected returns and value enhancements of such allocation/investment to the Company. The Company will remain prudent by taking into account the financial condition and cash flow requirements of the Company in deciding

the amount for each allocation/investment and to ensure that the financial exposure of the Company is monitored and managed.

The Company may also collaborate with external consultants and/or advisors for the Proposed Investment Business. These collaborations may be on a profit-sharing basis, fee-based, or on such other terms acceptable to the Company, including in respect of profit distribution and investment realisation. In agreeing on the terms with the external consultants and/or advisors, the Company will take into consideration various factors including the adequacy of the Company's working capital and the projected returns on equity.

In order to undertake the Proposed Investment Business more effectively and efficiently, the Company may also explore joint ventures and/or strategic alliances with third parties as and when the opportunity arises.

The Company intends that the Proposed Investment Business will be engaged on a prudent basis with discretion, and to set appropriate risk and return objectives.

As at the Latest Practicable Date, the Company has not identified any suitable targets or businesses for the Proposed Investment Business.

## **8. PROPOSED PROPERTY BUSINESS**

The Company had previously on 8 March 2013 obtained a mandate from Shareholders to allow the Company to be involved in business comprising property development, investment and trading business, including:

- (a) to undertake property development activities including acquisition, development and/or sales of residential, commercial (retail and office), industrial and any other suitable types of properties including mixed development properties ("**Property Related Assets**");
- (b) to acquire and hold investments in Property Related Assets including developing Property Related Assets and holding the same for long term investment for the collection of rent, capital growth potential and/or provision of services and facilities in the use of Property Related Assets;
- (c) to trade in properties including buying and selling of Property Related Assets with reasonable yield and/or capital growth potential; and
- (d) to invest, acquire or dispose of, or trade from time to time any such, investments, shares and/or interests in any entity that is in the property development, investment and/or trading businesses,

(collectively the "**Proposed Property Business**"). Further information on the Proposed Property Business can be found in the circular to Shareholders dated 18 February 2013.

Although the Company had previously tried to venture into the Proposed Property Business when an opportunity arose, in or around April 2015, for the Company to invest in the proposed property development project at St Kilda Road in Melbourne, Australia with Lian Beng Group Limited, the Company subsequently decided not to participate in the project, and the Company has not pursued the Proposed Property Business since then.

As part of the Board's review of the Company's strategy for its business directions and future plans, the Board is of the view that it would be in the interests of the Company to

re-explore the possibility of developing the Proposed Property Business as part of the core business of the Company due to the potential opportunities to optimise returns for the Company and the Shareholders, and the Board intends to venture into the Proposed Property Business should suitable opportunities arise for the same.

For the avoidance of doubt, the Proposed Business Diversification for which Shareholders' approval is being sought for at the EGM does not include the Proposed Property Business as Shareholders' approval for including the Proposed Property Business as part of the core business of the Company has already been previously obtained.

## 9. HAIR CARE BUSINESS

### 9.1 Industry Outlook

The information in this Section is derived from a report titled "Hair Care in Asia Pacific" dated February 2017 published by Euromonitor International ("**Industry Report**"). The Directors have not conducted an independent review, or verified the accuracy of the contents, of the information in the Industry Report.

In the global context under Beauty & Personal Care sector, Hair care ranks second after Skin care according to a measure of retail value in US\$ terms. Asia Pacific was the largest growth contributor to the global haircare market over 2010 - 2015, adding USD2.6 billion in sales, as the number of potential users swelled with population growth. Asia Pacific saw a 3% CAGR for hair care over 2010 – 2015, in a largely lethargic period for hair care globally.

Malaysia's haircare market is significantly larger than Singapore, with a total market size in 2015 of approximately USD280 million as compared to a total market size in 2015 of USD120 million in Singapore, with Singapore having a CAGR of about 2% between 2015 – 2020, and Malaysia having a forecasted CAGR of about 1% between 2015 – 2020.

In Malaysia, the haircare market grew by approximately USD26 million between 2010 – 2015 with styling agents taking a predominant share of such growth (at USD19 million), and shampoos with the next largest share (at USD8 million).

In Singapore, the haircare market grew by approximately USD11 million between 2010 – 2015 with hair conditioners taking a predominant share of such growth (at USD8 million), with salon hair care products and shampoos growing at USD3 million and USD2 million respectively.

In Malaysia, shampoos and styling agents are the top two selling products in the haircare market in 2015 with shampoos having a market size of more than USD100 million, and styling agents having a market share close to USD100 million. The compound annual growth rate ("**CAGR**") for styling agents between 2010 - 2015 had the highest rate of about 5%, while conditioners came in next.

In Singapore, shampoos were the top selling products in the haircare market in 2015 accounting for approximately USD40 million, with salon hair care and conditioners (at more than USD20 million) coming in second and third respectively. The CAGR for conditioners between 2010 - 2015 had the highest rate at about 5%, while hair loss treatments and salon hair care grew at a CAGR at about 2%.

Within the Asia Pacific region, shampoo, conditioners and colourants are generally the top three products in descending order of retail sales value. Increased GDP per capita in emerging markets will be the key driver of growth in hair care in Asia Pacific. The current key trends are: declining usage of 2-in-1 products which is opening up opportunities for

shampoo and conditioners to diversify into new formats; brands with balanced geographical distribution and non-reliance on China will benefit; and preference towards products with natural formulas at the expense of chemical-laden formulas in medicated products. Aside from price and efficacy, style is emerging as a result of rising consumer image-consciousness. For example, in Indonesia, styling agents are expected to enjoy dynamic growth with 11% CAGR over 2015 - 2020.

Among distribution channels for hair care products, modern and traditional grocery retailers and health and beauty specialist retailers (“HBSR”) are the more common distribution channels although there are non-store retailing channels such as hair salons. In Malaysia, modern and traditional grocery retailers take up a majority share of the market, with modern grocery retailers accounting for approximately 40% of the total market by 2015.

In Singapore, HBSR has the largest share of the market amongst the distribution channels at about 40% by 2015, with non-retail channels and modern grocery retailers trailing after, as there has been a shift from sales via grocery retail towards HBSR.

The more mature the hair care market, the more fragmented the market is. In Singapore and Malaysia, the top 10 companies in the hair care market in 2015 are dominated by big players such as the Unilever Group, Procter & Gamble Co, L’Oreal Groupe, Kao Corp, Revlon Inc., although Way Company is also within the top 10 companies in Singapore. Their CAGR between 2010 – 2015 are generally positive (including for Way Company), falling generally below the range of 5%.

## 9.2 Wayco’s existing business

Wayco is a company incorporated in Malaysia on 18 September 1984 which carries on the business of manufacture and distribution of hair care, cosmetics and other household chemical products, under various brand names or trademarks including the “Good Look” and “Glorin” series of hair care and home care products.

Wayco’s business is currently focused on manufacturing of Hair Care Products, although it also manufactures some Personal Care Products and Household Products.

Wayco currently operates two production plants, both located in Johor Bahru, Malaysia. Further details of the properties owned by Wayco as at the Latest Practicable Date are set out in Appendix D of this Circular.

The products which Wayco manufactures are both of its own proprietary brands as well as third party brands (including those under trademarks registered in favour of Way Company and/or Way Trading).

Wayco used to be a wholly owned subsidiary of Way Company prior to the acquisition of Wayco by the Company, and as at the Latest Practicable Date, the entire issued and paid-up capital of Way Company is held by Mr Ang Kong Meng. As at the Latest Practicable Date, the entire issued and paid-up capital of Way Trading is held by Mr Ang Kong Meng (with the exception of 1 share being held by Ms Ang Ai Chim).

The core brands of products being manufactured by Wayco as well as details of the relevant trademarks owned by Wayco, Way Company and Way Trading in respect of such core brands as at the Latest Practicable Date are as follows:

<b>Trademarks</b>	<b>Country of Registration</b>	<b>Expiry</b>	<b>Owner</b>
Goodlook leaf	Malaysia	2018/2020	Wayco
Goodlook & wave	Singapore	2027	Way Company
Selecín	Singapore	2024	Way Company
Glorin	Malaysia	2018	Way Trading
Creatic	Malaysia	2019	Way Trading
Designa	Malaysia	2025	Way Trading

Other trademarks owned by Wayco as at the Latest Practicable Date are set out in Appendix E hereto.

Almost all of the products which Wayco manufactures are made according to its own product formulations or specifications that are unique or proprietary to Wayco, although there is a small portion of products manufactured by Wayco which is manufactured on an OEM basis, such as the “Tiger Muscle Spray” and the “Tiger Mosquito Repellent Spray” for Tiger Balm (Malaysia) Sdn Bhd.

Wayco’s products are currently sold mainly in Singapore and Malaysia, although it also has a market presence, to a lesser extent, in Hong Kong, Vietnam, Myanmar, Sri Lanka, India, Maldives, Taiwan and Philippines.

However, as Wayco was historically the manufacturing arm of Wayco group of companies, it did not own or operate sales channels or distribution networks, whether in Singapore or Malaysia.

Sales by Wayco in Singapore is mainly to Way Company and mainly for hair styling products such as hair gel, hair spray and hair mousse and predominantly under the “Goodlook & wave” brand. Way Company operates a network of sales offices which undertakes the marketing and sales of such products to grocery, retail, beauty stores and salons in Singapore, and also to overseas customers through exports.

A breakdown of such sales for FY2016 and FY2017 is set out below:

<b>Category</b>	<b>Revenue 11mFY2017 (S\$)</b>	<b>Percentage (%)</b>	<b>Revenue FY2016 (S\$)</b>	<b>Percentage (%)</b>
Salons	333,050.76	13	414,630.39	14
Supermarkets & Retail Stores	1,755,342.40	70	2,082,328.13	69
Overseas customers	417,384.19	17	516,594.90	17
<b>Total</b>	<b>2,505,777.35</b>	<b>100</b>	<b>3,013,553.42</b>	<b>100</b>

In Malaysia, Wayco distributes its proprietary brand products (such as hair styling products under the Goodlook leaf, brands) mainly through Way Trading.

For the financial year ended 31 December 2016, approximately 80% of its total revenue was derived from sales to Way Company while approximately 13% of its total revenue was derived from OEM sales to Tiger Balm (Malaysia) Sdn Bhd, and for the 11 months ended

30 November 2017 approximately 87% of its total revenue was derived from sales to Way Company and approximately 10% of its total revenue was derived from OEM sales to Tiger Balm (Malaysia) Sdn Bhd.

Additional information on sales by Wayco to Way Company and purchases from Way Company to Wayco for the past 3 financial years and the eleven months ended 30 November 2017 are as follows:

<b>Wayco's Sales to Way Company</b>			
<b>Financial Year</b>	<b>Total Sales (RM)</b>	<b>Sales to Way Company (RM)</b>	<b>%</b>
2014	3,387,940.24	3,033,818.35	89.55
2015	3,385,032.70	3,118,307.36	92.12
2016	4,113,195.62	3,403,912.44	82.76
Jan-Nov 2017	3,359,295.55	2,927,210.25	87.14

<b>Purchases by Way Company from Wayco</b>			
<b>Financial Year</b>	<b>Total Purchases (S\$)</b>	<b>Purchase by Way Company from Wayco (S\$)</b>	<b>%</b>
2014	1,358,225.00	1,189,732.69	87.59
2015	1,428,408.35	1,125,954.33	78.83
2016	1,204,495.42	1,151,967.37	95.64
Jan-Nov 2017	1,087,816.51	947,965.85	87.14

While Wayco currently relies on Way Company and Way Trading as key customers for its products sold in Singapore and Malaysia, there is no exclusive distribution or other supply agreement or relationship between Wayco, Way Company and/or Way Trading and/or other restrictions that will preclude Wayco from selling its products under its own proprietary or other third party brands, either through other distributors and/or to establish its own sales channels or distribution networks to sell to retailers and/or directly to end customers.

### 9.3 Purpose of Strategic Review

When the Board made the decision to acquire Wayco, it was with a view to using such acquisition as a platform to diversify the Company's business into the Hair Care Products market.

Accordingly, it was contemplated that the Company could consider venturing into distribution and/or direct sales and marketing of such products to retailers and/or end customers, including through a possible merger with or acquisition of Way Company and/or Way Trading in future.

### 9.4 Strategic Review

#### 9.4.1 Introduction

On 25 January 2018, EY was appointed by the Board to perform a strategic review to evaluate and review the options available for Wayco to develop its sales and distribution



capabilities in the mid to long term, including whether to independently develop sales and distribution channels on its own, or to take over existing channels, *inter alia*, through an acquisition of Way Company and/or Way Trading (“**Strategic Review**”).

An extract of the report by EY on the Strategic Review dated 20 March 2018 is attached as Appendix F of this Circular. Shareholders should also note that EY’s findings in the report on the Strategic Review are based on its desktop market assessment, benchmarking analysis and investment evaluation on options available to the Company.

#### 9.4.2 Limitations

The limitations on the scope of work performed by EY are set out in the extract of the Strategic Review Report. In particular, EY’s work did not include any review of the adequacy of internal control policies, processes and procedures nor on any facts or circumstances around the Wayco Acquisition. EY is not and was not involved in any aspect of the discussions and/or negotiations pertaining to any acquisition of Wayco, nor was EY involved in the deliberations leading up to the decisions by the Board and the management of the Company in connection with the Wayco Acquisition.

In the course of EY’s work, they have held discussions with the management and the Board. They have also examined and relied on information provided by the management and the Board, as well as representations and assurances, both written and verbal, made by the management and the Board, and reviewed other relevant publicly available information.

#### 9.4.3 EY Conclusion

Prior to the acquisition of Wayco by the Company in December 2017, Wayco used to be the manufacturing arm of Way Company and Way Trading. EY noted that the companies were all profitable according to their audited accounts as at financial year 2016.

Based on the work performed by EY, it has concluded that the existing Wayco business, being a standalone manufacturing business after the acquisition by the Company, is not sustainable. The Wayco business can be sustainable if the following conditions materialise:

- (a) The Company puts in sufficient efforts to increase the utilization of manufacturing plants of Wayco;
- (b) The Company invests sufficient capital expenditure to enhance the aged plant and equipment of Wayco;
- (c) The Company puts in sufficient investment in developing the ‘Goodlook leaf’ brand it owns; and
- (d) There are fair commercial terms regarding the sharing of profit margins and payment collection terms with its current key customer.

Wayco has the potential to improve its business viability by transforming its business into a value chain play by developing its distribution capability and its suite of brand assets and products. This may be achieved by adopting the strategic options considered in the Strategic Review Report. EY has stated that while Wayco may take advantage of the expected growth in the hair care market that may facilitate or aid Wayco in transforming into a value chain play, each of the options has challenges and the management and the Board have to address such challenges in order to successfully implement the option(s) to be decided on by the management and the Board.



The strategic options and challenges identified by EY in consultation with the Board are set out in the Strategic Review Report and EY has advised that the management and the Board should consider each of the factors identified in order to assess the appropriate option(s).

#### 9.5 Board's Response to Findings from Strategic Review

The Board notes there may be certain opportunities for Wayco to move away from its existing manufacturing business due to the existence of certain factors as summarised below:

- (a) Hair care market is expected to grow in both Singapore and Malaysia. In addition, styling agents are expected to register relatively stable growth;
- (b) With consumers becoming increasingly image and cost conscious, this would provide a greater potential for mass market hair care products;
- (c) There are opportunities for development of new brands and new hair care product lines to grow revenue; and
- (d) There are opportunities for development of new and robust distribution network to increase market share in Malaysia market.

Hair Care Products are considered necessities, thus the demand for Hair Care Products is relatively price inelastic, and the hair care market is expected to grow in tandem with population growth in Malaysia and Singapore given that there are no substitutes for Hair Care Products.

As both Singapore and Malaysia are experiencing a slowdown in economic growth, this has resulted in consumers switching towards more economically priced hair care alternatives such as mass market category products, hair care with refill pack, and hair care in larger packaging. With consumers becoming increasingly image and cost conscious, this would provide a greater potential for mass market hair care products.

Please also refer to Section 9.1 of this Circular for further information on the industry outlook of the hair care industry.

However, the Board also notes that there are certain weaknesses and potential threats highlighted.

EY has noted that Wayco is currently highly focused on hair styling products, and has minimal expertise on other hair care products such as shampoos and conditioners that account for a significant portion of the hair care category.

Other weaknesses, *inter alia*, include Wayco's lack of economies of scale resulting in lower margins, the aging manufacturing facilities and under-utilisation of existing manufacturing facilities, heavy reliance on a single customer (Way Company) for its sales, low sales contribution from proprietary brands, minimal advertising and promotion efforts.

The Board is of the view that given Wayco's long history and manufacturing know-how and expertise, it should be able to adapt existing capability and expertise towards producing other hair care products, including hair shampoos and hair conditioners.

Although Wayco is located in Malaysia, a country with low manufacturing costs, and the hair care market in Malaysia is significantly larger than that of Singapore both in terms of total

market value and expected growth, Wayco's local sales in Malaysia currently account for less than 15% of its total revenue, with the majority of its products being sold in Singapore through Way Company.

Furthermore, while Wayco currently has low sales contributions from proprietary brands, it owns the "Goodlook leaf" trademark in Malaysia, hence Wayco should have growth potential, *inter alia*, by focusing on increasing sales in its domestic market.

While the Board notes that there is under-utilisation of Wayco's existing production facilities, currently at about 30%, this also means that Wayco can potentially significantly increase production subject to the securing of sales and upgrading of equipment to meet increased production, if needed.

Assuming Shareholders approve the Proposed Business Diversification at the EGM, the Company can look into creating or sustaining brand awareness as well as developing or acquiring new brands, *inter alia*, by expanding R&D expenses and additional funding for marketing promotions.

As for concerns regarding Wayco's current reliance on Way Company as a key customer and low margins, the Board reasonably believes that subject to the negotiation of mutually agreed terms, Way Company is likely to intend to continue to purchase products from Wayco to meet customer demand, and agree to better profit margin for Wayco, since substantially all of the products sold by Way Company (comprising between approximately 80% to 95% of Way Company's total purchases for the last four financial years) are manufactured by Wayco and are based on Wayco's proprietary product formulations or specifications.

The Board notes that EY has highlighted that in considering whether to adopt the distribution or direct model (or a combination thereof) for the distribution strategy, the following considerations, *inter alia*, may be relevant:

- (a) The Group would have the ability to hire experienced salespersons to reach out to distributors in the Singapore and/or Malaysian markets and there would be no requirement on capital deployment, in the event the Company does not acquire the distribution arms of Way Company (in Singapore) and/or Way Trading (in Malaysia).
- (b) As Way Trading is currently distributing predominantly to a wholesaler, it has a limited reach to the Malaysian market and if it were to be acquired, a reasonable amount of effort is required to develop Way Trading into a full scale distributor which involves time to develop a strong sales force with strong understanding of the local consumer needs in the various cities in Malaysia. Given that Way Trading's sales is minimal, the effort to develop it to become a full scale distributor might not be compensated by the potentially marginal increase in profits.
- (c) As Way Company has established customer relationships with retailers in Singapore, acquiring Way Company may give Wayco direct access into the Singapore market, and in addition, enable Wayco to secure the brand ownership of the existing brands owned by Way Company and higher profit margins resulting therefrom.
- (d) In the event Wayco were to develop and/or expand its distribution networks through contract partnerships with Way Company, Way Trading and/or other distribution providers, negotiations of commercial terms with distributors on an arm's length basis is required to secure better profit margins.

## 9.6 Forward Strategy

Taking into consideration, *inter alia*, the factors above and the strategic options reviewed by EY under the Strategic Review, and assuming the Proposed Business Diversification is duly approved at the EGM, the Board intends to transform Wayco into a value chain play in the hair care market, *inter alia*, through the following strategies:

### Multi-Product, Multi-Brand Strategy

- Expand the portfolio of hair care products which it manufactures, in particular to include hair shampoos and hair conditioners in addition to hair styling products.
- Develop or acquire new proprietary brands.
- Increase its market share of the Malaysian market for its proprietary brand products.

Assuming the Proposed Business Diversification is approved by Shareholders at the EGM, the Company intends to set up a R&D centre, which is currently contemplated to be situated in Singapore (subject to further evaluation by the Board) to further its strategy as aforesaid.

The Board is of the view that by leveraging Wayco's proprietary product formulations, product knowledge, manufacturing expertise and know-how, together with additional resources to be provided by the Company for capital expenditure, R&D, brand marketing and promotion efforts, Wayco is well placed to develop additional product lines and capture a larger market share of the hair care market.

### Manufacturing and Distribution Business

- Expand into manufacturing and distribution business, instead of focusing on manufacturing business alone, *inter alia*, to benefit from the higher gross margins normally enjoyed by the former business.

In order to diversify into the manufacturing and distribution business, Wayco would need to develop or acquire sales and distribution capabilities in Singapore and Malaysia to be able to reach out and bring products to retailers and/or end-consumers more directly and effectively.

In this connection, the Board notes that EY has highlighted certain pros and cons and other considerations for the Company to take note of in considering whether to expand distribution networks through contract partnerships with Way Company and Way Trading and/or other distribution providers, or to take ownership of the distribution arms of Way Company and/or Way Trading, which the Board will duly take into account should the Proposed Business Diversification be approved at the EGM.

Assuming the Company subsequently decides to explore a possible acquisition of Way Company and/or Way Trading after the Proposed Business Diversification is approved by Shareholders, pursuant to the directive by SGX-ST as announced on 1 February 2018, the Company would have to notify SGX-ST in advance of the same, since Way Company and Way Trading are owned by Mr Ang Kong Meng.

## 10. WAYCO ACQUISITION

### 10.1 Chronology of Key Events

A chronology of the key events leading to the Wayco Acquisition is set out in the table below.

Date	Key Events	Comments
27 November 2017	Introduction of the Vendor to some of the Existing Directors	Following an acquisition of shares by her on 22 November 2017, Ms Ng Siew Hong arranged a meeting between, <i>inter alia</i> , Mr Thomas Ng, Mr Low Beng Tin and Mr Rainer Teo and Mr Ang Kong Meng, to <i>inter alia</i> , introduce the Wayco group of companies owned by Mr Ang Kong Meng and to discuss the possibility of acquiring Wayco. Such Existing Directors were furnished with information relating to, <i>inter alia</i> , the past financial performance of Wayco and the list of trademarks owned by Wayco, as well as the past financial performance of Way Company and Way Trading.
11 December 2017	First Board Meeting	<p>Following the appointment of Mr Low Beng Tin, Mr Thomas Ng, Mr Rainer Teo and Mr Kee Swee Ann as Directors on 11 December 2017, the Board held its first board meeting on the same day.</p> <p>During the meeting, the Board discussed and deliberated on the status of the Existing Business and decided to re-evaluate the feasibility of continuing the Group's manufacturing activities, particularly in the light of the implications of the Company having no operating business should it totally cease manufacturing activities following the completion of the Disposal.</p> <p>At the same time, the Board reviewed and discussed the terms of the draft share purchase agreement proposed to be entered into between the Vendor and the Company in relation to the Wayco Acquisition and, after due deliberations, approved the Wayco Acquisition, subject to Management procuring the Vendor's agreement to certain amendments to the SPA, which the Vendor subsequently agreed to.</p> <p>Such proposed amendments included (i) subjecting the Wayco Acquisition to the Company being satisfied with the results of such financial and legal due diligence investigations on Wayco as the Company considers necessary and (ii) warranties that none of the Vendor, its directors and shareholders are associates of, or otherwise related to any of the Directors, CEO or Controlling Shareholders of the Company, save that Mr Kee Swee Ann was a former employee of the Vendor.</p> <p>As part of its due diligence prior to deciding to acquire Wayco, the Board had taken the following steps or actions to review and evaluate Wayco's business:</p> <p>(a) Discussions with Way Company to understand Wayco's business and the market/industry which it operates in;</p>

Date	Key Events	Comments
		<p>(b) Review and consideration of the financial performance of Wayco based on the audited accounts for the financial years ended 31 December 2014, 31 December 2015 and 31 December 2016 and the unaudited accounts of Wayco for the financial period ended 30 June 2017;</p> <p>(c) Review and consideration of the suite of products manufactured by Wayco, <i>inter alia</i>, by checking their product catalogues, including online platforms;</p> <p>(d) Review and consideration of the brand profile of the products manufactured by Wayco, including the list of trademarks owned by Wayco; and</p> <p>(e) Obtained certain publicly available information on Way Company, including details of its issued share capital.</p>
12 December 2017	Signing of the SPA	The amendments to the SPA as proposed by the Board were accepted by the Vendor and the SPA was signed and duly announced on 12 December 2017.
13 December 2017	Request for Early Completion	<p>When the Board met on 13 December 2017 to consider the Company's financial results announcement for the first quarter of the financial year ending 31 July 2017, the Board was informed that the Vendor had re-considered its earlier agreement to allow the Company to conduct due diligence prior to the Company's decision whether to complete, and instead requested for an early completion of the Wayco Acquisition.</p> <p>The Board was not informed of the reasons for the Vendor's request and did not ask the Vendor for its reasons for requesting for an early completion as the Board did not deem it necessary to consider the Vendor's personal circumstances and concerns.</p> <p>The Board was aware, however, that the Vendor had, from the beginning, wanted an expeditious transaction as a premise for doing the deal, and when the Company requested to include due diligence investigations as a condition precedent in the SPA, the Company had to give the assurance that it would conduct such due diligence investigations only "if necessary".</p> <p>After due deliberations, the Board decided to accede to the Vendor's request to proceed with early completion of the Wayco Acquisition, <i>inter alia</i>, if the Vendor could agree to grant the Buyback Undertaking to the Company.</p>
14 December 2017	Receipt of independent valuation report of the Wayco Properties	The Company received the report on the independent valuation conducted on the Wayco Properties, which valued the properties at an aggregate sum of RM7.3 million <sup>3</sup> . The independent valuation was commissioned by the Vendor and the Company did not itself commission a valuation of the Wayco Properties.

3 Pursuant to the terms of the SPA, the Vendor was obliged to pay an amount of RM200,000 to the Company, being the shortfall amount between the value of the Wayco Properties as contemplated in the SPA of RM7.5 million and the value of the Wayco Properties as assessed by the independent valuer (the "**Shortfall Amount**"), thereby reducing the overall purchase consideration payable by the Company to the Vendor by such amount.

Date	Key Events	Comments
		Following the receipt of the independent valuation report, the Board had reviewed and considered the methodology and basis of the valuation used in the independent valuation report on the Wayco Properties, and the credentials of the valuation firms that had performed the valuation.
15 December 2017	Signing of Supplemental Agreement	The Vendor agreed to the Buyback Undertaking and entered into a supplemental agreement with the Company to provide for the Buyback Undertaking. The details and purpose of the Buyback Undertaking are elaborated upon in Section 10.4 of this Circular.
15 December 2017	Completion of Wayco Acquisition	<p>The Company proceeded to complete the Wayco Acquisition on 15 December 2017.</p> <p>The Board decided to proceed to complete the Wayco Acquisition without exercising the Company's right to conduct a full due diligence prior to completion mainly because the Company did not want to lose the opportunity to acquire Wayco due to the Company not being able to accede to Way Company's request for an early completion, and after balancing other factors and considerations as follows:</p> <ul style="list-style-type: none"> <li>(i) The acquisition of Wayco gives the Company the opportunity to buy into a profitable business at a purchase consideration amount which the Board feels is a fair or reasonable amount, for reasons described below at Section 10.2 of this Circular.</li> <li>(ii) Wayco was not an unknown entity or business given Ms Ng Siew Hong and Mr Kee Swee Ann's past association with the Wayco group of companies, as former auditor and former employee respectively.</li> <li>(iii) The Board derived general comfort from the fact that Mr Kee Swee Ann used to be an employee of Way Company, and hence would have a certain knowledge or familiarity with Wayco's business and operations, and would be able to review and consider the various financial and other information given regarding Wayco with the benefit of that knowledge and familiarity.</li> <li>(iv) The Company had obtained the Buyback Undertaking from Way Company, giving the Company the opportunity to sell Wayco back to Way Company at the same price, assuming that the Company were to discover irregularities or deficiencies or other material adverse events affecting Wayco within one year after taking over the company. This should generally put the Company in the same position it would have been had it conducted prior due diligence and decided not to complete due to unsatisfactory due diligence.</li> </ul>

Date	Key Events	Comments
		<p>(v) The Board was of the view that time is of the essence for the Company to acquire a new business to augment or diversify from the Company's Existing Business, which is subject to uncertainties.</p> <p>Please also refer to Section 10.3 of this Circular for a further elaboration of the Board's views on the manner in which due diligence has been conducted and how the Board intends to conduct further and continuing due diligence investigations on Wayco even after the completion of the Wayco Acquisition.</p>
25 January 2018	Appointment of EY	The Company appointed EY to carry out the Strategic Review.
	Ongoing due diligence investigations <sup>4</sup>	<p>The Company is engaged in ongoing review and investigations into the financial affairs and business and operations of Wayco, <i>inter alia</i>, in order to enable the Company to assess and determine whether the Buyback Undertaking needs to be exercised.</p> <p>In this connection, the Board and management has, <i>inter alia</i>, performed site visit and inspection of the Wayco Properties, carried out continuing review of the monthly performance of Wayco.</p> <p>Apart from the Strategic Review, EY has also been requested to carry out financial and tax due diligence investigations on Wayco, which is currently ongoing.</p>

## 10.2 Purchase Consideration of Wayco

The Board had considered and was satisfied that the purchase consideration paid for Wayco<sup>5</sup> was a fair or reasonable amount, including for the following reasons:

- (a) Based on the Effective Purchase Consideration Amount of S\$3,433,760, approximately 70% of such amount is underpinned by the value of the Wayco Properties of approximately S\$2,417,760 (the S\$ equivalent of RM7.3 million), which has been valued by independent valuers;
- (b) The useful life of Wayco's other fixed assets such as plant and machineries may possibly extend beyond its current depreciation basis and if so, may have residual value which is not reflected in the current net tangible assets of Wayco. Moreover, Wayco has intangible assets including registered trademarks and proprietary product formulations which are not reflected in the current net tangible assets of Wayco.

To further elaborate on the foregoing, the Board had considered the growth potential of Wayco, *inter alia*, after considering the historical financial performance and relative profits or margins allocation between the then Wayco group of companies. For the financial year ended 31 December 2016, the net profit before tax of the Wayco group of companies was S\$658,809. In deciding to acquire Wayco, the Board also took into consideration Wayco's strategic position within the Wayco group of companies, given its ownership of the relevant

<sup>4</sup> Such ongoing due diligence investigations continues even after the completion of the Wayco Acquisition, *inter alia*, in order to enable the Company to assess and determine whether the Buyback Undertaking may need to be exercised. Please refer to Section 10.3 of this Circular for an elaboration of this.

<sup>5</sup> After taking into consideration the payment of the Shortfall Amount, the effective purchase consideration paid by the Company was S\$3,433,760, after deducting the S\$ equivalent of the Shortfall Amount from the original purchase consideration of S\$3.5 million (the "**Effective Purchase Consideration Amount**").



land, plant and equipment and the proprietary product formulations that is used for the manufacturing of products sold or distributed by the group and Way Company's reliance on Wayco as its primary supplier.

No fee (including introducer fee) was paid or to be paid by the Company to anyone in connection with the Wayco Acquisition.

#### 10.3 Due Diligence in connection with the Wayco Acquisition

The Board notes that there have been some concerns raised whether the interests of the Company or Shareholders may or will be potentially adversely affected by reason of the Company having completed the Wayco Acquisition without having conducted extensive due diligence on Wayco prior to such completion, and the Board would like to take the opportunity to dispel or address such concerns:

1. In the context of an acquisition of a company or business, "due diligence" is simply a reference to the actions, steps or process which a potential buyer would ordinarily undertake, *inter alia*, to establish the financial performance, assets and liabilities of such business or company, and to evaluate its commercial potential.
2. Normally, this is done before the buyer commits to the acquisition, but this is because such acquisition will have to be accepted as a *fait accompli* once made, even if the asset acquired turns out to be a lemon.
3. However, the Wayco Acquisition is different from normal commercial transactions in that the Vendor has agreed to the Buyback Undertaking to buy back 100% of Wayco, at the same amount that the Company effectively paid to acquire Wayco under the terms of the Wayco Acquisition, if the Company reasonably ascertains that there are any material adverse effects or matters affecting or relating to the assets, liabilities and/or business of Wayco to such a material extent which, if it had been known to the Company as at the date of the SPA, would have reasonably affected the Company's decision to enter into the SPA and to complete the Wayco Acquisition and/or the terms upon which it agreed to do so, where the right of the Company to exercise the Buyback Undertaking is valid for a period of 12 months from the date of completion of the Wayco Acquisition.
4. The Buyback Undertaking therefore effectively gives the Company an opportunity to continue with its due diligence investigations into the affairs of Wayco post-completion of its acquisition (within the prescribed timeframe) and to return Wayco to the Vendor with a full refund if there are any material adverse findings on Wayco and, in the Board's view, is a reasonable and effective countermeasure against the dogma of or the need for pre-completion due diligence.

#### 10.4 Buyback Undertaking

It is currently contemplated that some of the possible circumstances which may trigger the exercise of the Buyback Undertaking would include:

- (a) The existence of defects in title relating to the real properties or fixed assets of Wayco.
- (b) The existence of actual or contingent liabilities (other than those arising in the ordinary course of business) which were not reflected in Wayco's audited or management account reviewed by the Company.



- (c) Possible issues relating to Wayco's ownership of, or otherwise its rights relating to the use of, the various product recipes or formulae of its products.
- (d) Possible issues relating to Wayco's ownership of, or otherwise its rights relating to the use of the various trademarks and/or brand names of its products.
- (e) Possible findings from the Strategic Review suggesting that the valuation of Wayco and/or its business may be less than the effective purchase consideration paid by the Company for Wayco.

As at the Latest Practicable Date, the Board is of the view that there are no circumstances existing which may require an exercise of the Buyback Undertaking, *inter alia*, after taking into consideration the following:

- (a) Although the Strategic Review was not a valuation exercise or otherwise for EY to assess whether the valuation of Wayco and/or its business may be more or less than the effective purchase consideration paid by the Company for Wayco, the Board notes that there are no material adverse findings from the Strategic Review to suggest that the valuation of Wayco and/or its business may be less than the effective purchase consideration paid by the Company for Wayco.

In particular, the Board had agreed to the purchase consideration for Wayco after taking into account, *inter alia*, the growth potential of Wayco due to its ownership of intangible assets including registered trademarks and proprietary product formulations, Wayco's strategic position within the Wayco group of companies (by virtue of its ownership of the relevant land, plant and equipment and proprietary product formulations that is used for the manufacturing of products sold or distributed by the Wayco group of companies, and Way Company's reliance on Wayco as its primary supplier), and the findings from the Strategic Review do not invalidate or are not inconsistent with such considerations.

- (b) The Board has been monitoring the business of Wayco since its acquisition through an ongoing review of the monthly performance of Wayco, and has also appointed EY to carry out financial and tax due diligence investigations on Wayco, which is currently ongoing. The Board is not currently aware of any material adverse findings arising from this which may foreseeably require the exercise of the Buyback Undertaking.

As the Company has up to 14 December 2018 to exercise the Buyback Undertaking, the Company will still have the opportunity to consider an exercise of the Buyback Undertaking, if applicable, should there be further developments or new circumstances arising relating to material adverse findings on Wayco.

While the Board stands by its decision to acquire Wayco and the merits of the Wayco Acquisition, particularly in view of the risk of the Company becoming a cash company if it does not acquire a new core business, the Board acknowledges that certain circumstances of the Wayco Acquisition may have inadvertently caused some disquiet amongst Shareholders.

As directed by SGX-ST, part of the scope of the Internal Controls Review will include a review of the facts and circumstances surrounding the Board's approval for the Wayco Acquisition, and the Board intends to adopt any recommendations which may be made by RHT relating to the adequacy of the Company's internal policies, processes and procedures relating to the evaluation and approval of mergers and acquisitions and conflicts of interest.

## 11. SGX-ST LISTING MANUAL REQUIREMENTS

Pursuant to Practice Note 10.1 of the Listing Manual, Shareholders' approval is not required if a transaction results in an expansion of an issuer's existing core business, unless such transaction changes the issuer's risk profile.

As the Proposed Business Diversification will involve one or more new business area(s) which is substantially different from the Existing Business, it is envisaged that the Proposed Business Diversification will change the existing risk profile of the Group. Accordingly, the EGM is being convened by the Company to seek Shareholders' approval to approve the Proposed Business Diversification.

Upon the approval by Shareholders of the Proposed Business Diversification, any acquisition or disposal which is in, or in connection with, the Proposed New Businesses, may be deemed to be in the ordinary course of business and therefore not fall under the definition of a "transaction" under Chapter 10 of the Listing Manual.

Accordingly, the Group may, in its ordinary course of business, enter into transactions relating to the Proposed Business Diversification which will not change the risk profile of the Group, in an efficient and timely manner without the need to convene separate general meetings from time to time to seek for Shareholders' approval as and when potential transactions relating to the Proposed Business Diversification arise.

However, Clause 3.2.2 of Practice Note 10.1 of the Listing Manual states that the Company will have to seek Shareholders' approval when an acquisition changes the Company's risk profile. Clause 3.2.3 of Practice Note 10.1 sets out, among others, the following factors which will be considered in determining whether the risk profile of the Company has been changed:

- (a) when the acquisition is a very substantial acquisition which will increase the scale of the Company's existing operations such that any of the relative figures computed on the bases set out in Listing Rule 1006(c) and 1006(d) is 100% or more;
- (b) when the acquisition will result in a change of control of the Company which will be treated as a reverse takeover;
- (c) when the acquisition will have a significant adverse impact on the Company's earnings, working capital and gearing; and
- (d) when the acquisition will result in an expansion of the Company's business to a new geographical market.

Clause 3.2.4 of Practice Note 10.1 of the Listing Manual further provides that the above-mentioned factors in determining whether an acquisition would change the Company's risk profile are neither exhaustive nor conclusive.

Where the Proposed Business Diversification would involve an interested person transaction as defined under the Listing Manual, the Company will also comply with the provisions of Chapter 9 of the Listing Manual, where applicable.

Notwithstanding the above, even in the event that Shareholders' approval is obtained for the Proposed Business Diversification, the Company will seek Shareholders' approval in the event of any of the following events:

- (a) for the first acquisition transaction under the Proposed Consumer Business which results in the relative figure as computed based on the purchase consideration set out in Rule 1006 exceeding 20% ("**First Major Consumer Business Acquisition**");
- (b) for the first acquisition transaction under the Proposed Investment Business which results in the relative figure as computed based on the purchase consideration set out in Rule 1006 exceeding 20% ("**First Major Investment Business Acquisition**");
- (c) if the Company enters into a series of smaller acquisition transactions under the Proposed Consumer Business, for the acquisition transaction ("**Relevant Consumer Business Acquisition Transaction**") where the purchase consideration of the Relevant Consumer Business Acquisition Transaction, when aggregated with the purchase consideration of all acquisition transactions in the 12 month period immediately prior to the date of the Relevant Consumer Business Acquisition Transaction, results in the relative figure as computed based on the purchase consideration set out in Rule 1006 exceeding 20% ("**First Aggregated Major Consumer Business Acquisition**"); or
- (d) if the Company enters into a series of smaller acquisition transactions under the Proposed Investment Business, for the acquisition transaction ("**Relevant Investment Business Acquisition Transaction**") where the purchase consideration of the Relevant Investment Business Acquisition Transaction, when aggregated with the purchase consideration of all acquisition transactions in the 12 month period immediately prior to the date of the Relevant Investment Business Acquisition Transaction, results in the relative figure as computed based on the purchase consideration set out in Rule 1006 exceeding 20% ("**First Aggregated Major Investment Business Acquisition**").

For the avoidance of doubt, the Company shall be free to conduct the Proposed Consumer Business, including the making of acquisitions in connection therewith as part of its ordinary course of business, without seeking further Shareholders' approval, after having obtained Shareholders' approval for either the First Major Consumer Business Acquisition or the First Aggregated Consumer Business Acquisition.

For the avoidance of doubt, the Company shall be free to conduct the Proposed Investment Business, including the making of acquisitions in connection therewith as part of its ordinary course of business, without seeking further Shareholders' approval, after having obtained Shareholders' approval for either the First Major Investment Business Acquisition or the First Aggregated Investment Business Acquisition.

## 12. RISK FACTORS

*The risks set out below are, to the best of the Directors' knowledge and belief, all which are material to Shareholders in making an informed decision about the Proposed Business Diversification. Should any of the factors and/or uncertainties as described below develop into actual events, they may have a material and adverse impact on the Proposed Business Diversification and consequently, the overall results of operations, financial condition and prospects of the Group.*

*The risks described below are not intended to be exhaustive. New risk factors may emerge from time to time and it is not possible for the Board to predict all risk factors, or assess fully*

*and comprehensively the impact of all potential risk factors on the Proposed Business Diversification and investments associated with it. There may also be other risks associated with the entry into the proposed investments which are not yet known to the Group, or that the Group may currently deem to be immaterial and as such have not been included in the list below.*

*Shareholders should carefully consider and evaluate the risk factors cited below and all other information presented in this Circular in light of their own investment objectives and financial circumstances and seek professional advice if in any doubt whatsoever of the actions to be taken.*

## **12.1 General Risk Factors**

### **12.1.1 The Group may not be able to recruit and retain skilled employees, particularly key management personnel**

The Group's future success is dependent to a very large extent on its ability to attract and retain certain key personnel, especially its management personnel. The loss of the services of a substantial number of its key management personnel without adequate replacements or the inability to attract or retain qualified personnel may lead to the Group's inability to keep up with future business needs, thus adversely affecting its business, operating results and financial conditions.

### **12.1.2 Governmental laws and regulations may limit the Company's activities, increase its operating costs or subject it to sanctions and lawsuits**

The Group is subject to governmental regulations in various jurisdictions in which the Group conducts its business, including governmental approvals required for conducting business and investments, laws and regulations governing electric product safety, export/import laws and regulations, commercial, antitrust, patent, product liability, environmental laws and regulations, consumer protection, financial and business taxation laws and regulations and internal controls regulations.

However, to the extent that the Group cannot comply with these laws and regulations from technical and economic perspectives, or if they become stricter and the Group determines that it would not be economical to continue to comply with them, the Group would need to limit its activities in the affected business areas. These laws and regulations could increase the Group's operating costs. In addition, in the event that governmental authorities find or determine that the Group has violated these laws and regulations, the Group could become subject to regulatory sanctions, including monetary penalties, or criminal sanctions or civil lawsuits for damages, and could also suffer reputational harm.

### **12.1.3 The Group may be involved in disputes, legal and other proceedings from time to time**

The Group may be involved in disputes, legal and other proceedings from time to time. Such disagreements may not be able to be resolved in a manner that will be in our best interests, and may lead to legal and other proceedings. These may in turn materially and adversely affect our financial condition and results of operations. In addition, such proceedings may be negatively publicised in the media, thereby reducing the public perception of the Group which may result in a dip in revenue or an increase in publicity cost.

**12.1.4 Interest rate fluctuations may adversely affect the Company's financial condition, etc.**

The Group is exposed to interest rate fluctuation risks that may affect the Group's operational costs, interest expenses, interest income and the value of financial assets and liabilities. Accordingly, interest rate fluctuations may adversely affect the Group's business, operating results and financial condition.

**12.1.5 The Group may be affected by changes in general economic, political and social conditions**

The Group will be subject to the prevailing economic, political and social conditions in the markets and/or countries in which it operates. Inflation, interest rates, currency fluctuations, government policies, price and wage controls, exchange control regulations, taxation, expropriation, social instability and other political, economic or diplomatic developments may affect the way the Group operates, thereby affecting its business, earnings, asset values, prospects and valuations.

Aside from being exposed to the above risks, the Group would also be exposed to the risks arising from different competitive landscapes and operating environments in specific industries. Specific industries would have their own issues, trends, developments, government policies and measures that are currently in force or to be implemented in the future which are beyond the control of the Group.

**12.1.6 The Group is exposed to foreign exchange transaction risks**

Foreign exchange may adversely affect the Group's financial position and operating results. The Group intends to conduct the Proposed Consumer Business and the Proposed Investment Business in various jurisdictions. The Group is therefore exposed to the effects of changes in currency exchange rates. Unfavourable movements in these exchange rates may have an adverse effect on the Group's revenue and/or cost of operating.

**12.1.7 Leaks of confidential information or trade secrets may adversely affect the Group's business**

In the normal course of business, the Group holds confidential information, either about the credit worthiness and other information of the customers, or the price sensitive contracts, as well as confidential information about potential investee companies. Such information may be leaked due to an accident or other unavoidable causes, and any material leakage of confidential information may result in significant expense for related lawsuits and adversely affect the Group's business and image. Any leakage may adversely affect the Group's business, operating results and financial condition.

**12.2 Risk Factors for the Proposed Consumer Business**

**12.2.1 Wayco's growth potential depends on its ability to expand its suite of products and sales and distribution capabilities**

Wayco is currently mainly a manufacturer of hair styling products like hair gel, hair spray and hair mousse as more than 80% of its revenue is derived from sales of such products to Way Company in Singapore.

Following the findings from the Strategic Review, it is the Board's intention to explore options to expand Wayco's manufacturing business to a manufacturing and distribution business, and to expand its suite of products under a multi-brand, multi-products strategy. For further details of this, please refer to Section 9 of this Circular.

Such strategy may involve Wayco either developing or acquiring sales and distribution capabilities, including a possible acquisition of the distribution arms of Way Company in Singapore and/or Way Trading in Malaysia.

To expand its products range, Wayco will require additional manpower resources and may need to incur, *inter alia*, R&D costs for product innovation, marketing and promotional expenses for brand development, and working capital required to develop and manufacture additional product lines.

In addition, Wayco may also need to incur capital expenditure, not only to expand, but to upgrade its existing plant and machinery, as most of its manufacturing facilities are either fully depreciated or expected to be fully depreciated in the near future.

In the event Wayco is not able to expand its product range successfully through products innovation or is unable to develop or sustain brand awareness or otherwise has poor demand for its products, it may suffer losses if it is not able to recoup its costs, or in the event of any mergers or acquisitions, may suffer a loss on its investment.

#### **12.2.2 Reliance on key customers, in particular Way Company**

Way Company is currently the key customer of Wayco, since more than 80% of its revenue is derived from sales to Way Company, with another 13% of its revenue derived from sales to a third party customer.

Given that Wayco is no longer a related party to Way Company following to the Wayco Acquisition, the Company intends to re-negotiate the commercial arrangements between Wayco and Way Company, including the selling price of its products to Way Company, on an arms' length basis.

While the Company reasonably believes that subject to the negotiation of mutually agreed terms, Way Company is likely to intend to continue to purchase products from Wayco to meet customer demand, since the products manufactured by Wayco are based on its proprietary product formulations or specifications, there is no certainty or assurance that it will do so, and Wayco's revenue and/or profitability may be adversely affected if it is not able to secure other customers or distribute its products through other third parties, apart from Way Company and/or Way Trading.

In the event Wayco is not able to successfully develop independent sales and/or distributions channels on its own and/or with other third parties, Wayco may still have to rely on Way Company and/or Way Trading's sales channels and distribution networks in Singapore and Malaysia respectively to distribute and sell its own products. There is no assurance or certainty however that Wayco will be able to do so, as Way Company and Way Trading may regard Wayco as its competitor, in the event Wayco expands into Singapore to sell its own proprietary brand products.



**12.2.3 Wayco does not completely own the intellectual property rights in respect of the products which it manufactures**

Wayco does not own all of the trademarks which have been registered in respect of some of the products which Wayco manufactures. For instance, for the “Goodlook” series of hair products, Wayco is the registered proprietor of the trademark “Goodlook leaf” in Malaysia but Way Company is the registered proprietor of the trademark “Goodlook & wave” in Singapore.

This means that Wayco will have to agree with Way Company on the appropriate licensing or other arrangements to be put in place, before it shall be entitled to use such trademark for the sale of its products in Singapore. There is no certainty or assurance that it will be able to do so, and in the event Wayco is unable to sell its products in Singapore due to the inability to reach agreement with Way Company, Wayco’s financial performance may be adversely affected by the resulting loss of sales.

**12.2.4 The Group has no prior track record and operating history in the Proposed Consumer Business**

As the Group does not have a proven track record in carrying out the Proposed Consumer Business, there is no guarantee that the Proposed Consumer Business will be commercially successful and the Group may suffer losses if it is not able to derive sufficient revenue to offset the capital and start-up costs as well as operating costs arising from the Proposed Consumer Business.

The Proposed Consumer Business also involves business risk including the financial costs of setting up new operations, capital investment and maintaining working capital. If the Group does not derive sufficient revenue from or does not manage the costs of the Proposed Consumer Business effectively, the overall financial position and profitability of the Group may be affected.

**12.2.5 The Group may face competition from existing competitors and new market entrants in the Proposed Consumer Business**

The Proposed Consumer Business is highly competitive, with strong competition from established industry participants who may have larger financial resources or a stronger track record. The Group may not be able to provide comparable services at lower prices or respond more quickly to market trends than potential or existing competitors who may have larger financial resources and stronger track records.

In addition, the Group would be relatively smaller in size relative to global industry players and would be unable to enjoy economies of scale to the same extent as these global industry players, resulting in lower margins enjoyed by the Group.

Further, new competitors may enter the industry resulting in increased competition or saturation. There is no assurance that the Group can compete successfully against its existing or potential competitors now or in the future. To compete effectively, the Group will have to offer more competitive pricing or differentiate itself by adopting more creative marketing strategies. In the event that the Group fails to do so, the Group’s business, financial condition, results of operations and prospects may be adversely affected.

#### **12.2.6 Changes in consumer demand may adversely affect the Group's business**

As with all other consumer products, sales of the Group's products are dependent on consumers' demand for its products which may be adversely affected by economic fluctuations and are susceptible to changes in consumer tastes. The global trend of consumer preference shifting from retail stores to online platforms would be a disruption to the Proposed Consumer Business and the Group's efforts in building and maintaining brand awareness may be unable to effectively insulate itself from the shift in consumer demand.

In addition, the Proposed Consumer Business may deal in consumer products with short product life cycles, requiring the regular introduction of new brand and differentiated products in order to remain competitive.

There is no guarantee that in the future the Group will continue to be successful in keeping ahead of, and being up to date with, the latest trends through constant market research and sourcing of feedback from its customers. The Group can give no guarantee that its intensive efforts in strategic marketing and product innovation will continue to enable it to satisfy evolving consumer demand. If the Group is not able to do so, the Group's operating results may be adversely affected.

#### **12.2.7 Intellectual property infringement by or against the Group and failure to protect trade secrets**

It is possible that competitors may adopt trade or service names similar to the Group and the Group may not be able to completely prevent any infringement of its intellectual property rights notwithstanding that the Group may have registered certain trademarks. As a result, the goodwill generated by the Group's brands may be eroded and business may be adversely affected.

There can be no assurance that third parties will not initiate litigation against the Group alleging infringement of their proprietary rights. Any claim or litigation against the Company in respect of infringement of intellectual property rights of third parties, whether with or without merit, could result in a diversion of resources and the Group's financial results or operations may be adversely affected.

The Group's success depends on its ability to protect its trade secrets, product formulations or specifications for its consumer products, and the failure to protect them may have a material adverse effect on the Group's financial results and operations.

#### **12.2.8 Reliance on key suppliers and distributors**

The Group may become highly dependent on key suppliers, including suppliers of raw materials, and distributors of its products. The involuntary or unexpected loss of any of the Group's key suppliers or a shortage of any raw materials required for the manufacturing of its products will temporarily disrupt the Group's supplies and corresponding production and may have a material adverse impact on the Group's turnover and profitability. Furthermore, there can be no guarantee that the key suppliers will continue to fulfil the Group's needs and expectations in terms of cost and product quality. The distributors of the Group's products may also not successfully execute the sales, growth and marketing strategies of the Group or may fail to meet the sales volume set by the Group.



In the event of such failure, the Group may incur costs in switching to new suppliers or distributors which would result in disruption to the business and profitability in the short term.

**12.2.9 Inferior quality and unsubstantiated product performance claims by imitators may lead to adverse media publicity and negative market sentiments**

The Group's products may attract imitation products traders. Their inferior quality and unsubstantiated product performance claims may lead to adverse media publicity and negative market sentiments and may have an adverse impact on sales of the Group's products and its reputation.

**12.2.10 The Group is dependent on disposable consumer income and is susceptible to fluctuations in economic cycles**

The Proposed Consumer Business is dependent, in general, on disposable consumer income and consumer confidence, all of which can affect discretionary consumer spending. Changes in the market and economic conditions in the relevant jurisdictions in which the Group operates may affect disposable consumer income, consumer confidence and hence discretionary consumer spending. Adverse changes in these factors will lead to a decrease in the demand and the Proposed Consumer Business and its financial condition would be adversely and materially affected.

The Group currently anticipates market conditions to remain unpredictable due to various factors including ever-intensifying global competition, despite a gradually recovering global economy. The Group may incur increased costs for business restructuring in order to cope with the business environment. The Group's operating results and financial condition may therefore be adversely affected by fluctuations in economic cycles in any of its significant markets.

**12.2.11 Exposure to product liability or warranty claims that could result in significant direct or indirect costs**

As with other consumer product manufacturers, the Group is exposed to product liability laws in the relevant jurisdictions where its products are marketed and may face lawsuits arising from alleged injuries to users caused by any alleged defects in the Group's products. The Group may have to do substantial product recalls in respect of a product if there are allegations of that product being found to be unsafe in the future.

If the Group is ever unsuccessful in defending a product liability suit in Singapore, it could incur significant expenses. Due to negative publicity concerning these problems, the business, reputation, operating results and financial condition of the Group may be adversely affected.

**12.2.12 Alliances with, and strategic investments in, third parties, and mergers and acquisitions undertaken by the Group, may not produce positive or expected results**

The Group develops its businesses by forming alliances or joint ventures with, and making strategic investments in other companies. In some cases, such partnerships are crucial to the Group's goal of introducing new products and services, but the Group may not be able to collaborate successfully or achieve expected synergies with its partners. Furthermore, the Group does not control these partners, who may make decisions regarding their business undertakings

with the Group that may be contrary to the Group's interests. In addition, if these partners change their business strategies, the Group may fail to maintain these partnerships.

### **12.3 Risk Factors for the Proposed Investment Business**

#### **12.3.1 The Group has no prior track record and operating history in the investment industry**

The Group does not have a significant proven track record in the investment industry and there is no guarantee that the Proposed Investment Business and the investments thereunder will be commercially successful, or that the Group will be capable of deriving sufficient revenue from the Proposed Investment Business to offset the capital and start-up costs involved.

Further, the success of the Group's diversification into the Proposed Investment Business is dependent on the Group's ability and expertise to navigate the challenges posed by the investment industry and to adapt its existing knowledge and resources accordingly. There is no guarantee that the Group's existing knowledge and experience will be sufficient or that the Group will be able to attract and retain suitable candidates with the appropriate qualifications and experience. While the Group may appoint third-party professionals and consultants to assist in its management of the Proposed Investment Business, there is no guarantee that these third-party professionals and/or consultants will be able to deliver or perform satisfactorily.

#### **12.3.2 Investments in higher growth companies in the early stages of development may entail a higher level of risk**

As the Proposed Investment Business may include investments in quoted securities of high growth companies that may be in the early stages of development, there may be greater business risks as compared to more established businesses. There is no guarantee that the Group would be able to realise its envisaged returns or redeem its invested amounts. As such, given the nature of such investments, the Group will regularly monitor the financial and operational performance of such investee companies.

#### **12.3.3 Inability to influence or exercise management control over the investee companies may affect performance of investments and reputation of the Group**

Whilst engaged in the Proposed Investment Business, the Group may take a strategic but non-controlling stake in an investee company, thus limiting the Group's control of influence in the investee company's day-to-day operations. Further, the Group at present only intends to be a passive investor and does not intend to participate, or be actively involved with the day-to-day management of any investee company.

As such, the mismanagement of any investee company, if any, will be beyond the control of the Group. Such mismanagement may adversely affect the financial performance of the investee company, which may in turn affect the returns on the Group's investments. The impact of any negative publicity or announcements relating to such mismanagement of the investee company may also impact the Group's reputation, whether justified or not, and ultimately affect the value of the Shares.

#### **12.3.4 The Group's investment activities may be subject to risks arising from fluctuations in foreign exchange rates and interest rates**

To the extent that the investee companies may be located in different geographic jurisdictions, and the extent that the investments may be denominated in different currencies, the Group's investments may be adversely affected by fluctuations in foreign exchange rates and interest rates.

The funding of the Proposed Investment Business may include the Group's internal resources or by borrowings. For borrowings, to the extent that the Group's borrowings for investments or other purposes are at floating rates of interest, the cost of servicing such debt will increase if the interest rates for the borrowings increase significantly. Any significant increase in interest rates may adversely impact the performance of the Group's investment activities if borrowings are at floating rates of interest.

In addition, there is no guarantee that the Group will be able to hedge successfully or effectively against fluctuations in foreign exchange rates or interest rates and the Group may incur losses arising therefrom.

The Board has reviewed the foregoing risks and confirmed that all material risks known to it has been disclosed in this Section 12. Notwithstanding the risks set out above, the Board, having considered the rationale of the Proposed Business Diversification, believes that such proposal would be beneficial to the Company and to the Shareholders. The Board will be mindful in managing the risks involved.

### **13. PROPOSED REMOVAL OF EXISTING DIRECTORS**

#### **13.1 Introduction**

Messrs Low Beng Tin, Thomas Ng, Rainer Teo and Wilson Teng comprise the entire Board of Directors and hold the following positions and roles on the Board as at the Latest Practicable Date:

##### Board of Directors

Mr Low Beng Tin, Chairman of the Board and Independent Non-Executive Director  
Mr Thomas Ng, Independent Non-Executive Director  
Mr Rainer Teo, Independent Non-Executive Director  
Mr Wilson Teng, Chief Executive Officer and Executive Director

##### Audit Committee

Mr Thomas Ng, Chairman  
Mr Low Beng Tin, Member  
Mr Rainer Teo, Member

##### Remuneration Committee

Mr Rainer Teo, Chairman  
Mr Thomas Ng, Member  
Mr Low Beng Tin, Member

##### Nominating Committee

Mr Low Beng Tin, Chairman  
Mr Rainer Teo, Member  
Mr Thomas Ng, Member

Mr Low Beng Tin, Mr Thomas Ng and Mr Rainer Teo were appointed to the Board on 11 December 2017. Mr Wilson Teng was appointed to the Board on 19 March 2018, following the resignation of Mr Kee Swee Ann, the former Executive Director and CEO of the Company, on 2 February 2018.

### 13.2 Qualifications, background and experience of Existing Directors

A brief overview of the qualifications, background and experience of each of the Existing Directors is set out below:

#### Low Beng Tin

Mr Low Beng Tin was appointed to the Board on 11 December 2017. He is the Chairman and Independent Non-Executive Director. He is the Chairman of the Nominating Committee and is also a member of both the Audit Committee and the Remuneration Committee.

Mr Low Beng Tin has close to 40 years of engineering experience in the oil and gas, petrochemical, chemical and marine industries, and was formerly the chairman and managing director of director of OEL (Holdings) Limited, (aka Oakwell Engineering Limited). Mr Low Beng Tin has served and continues to serve as independent director of several Singapore-listed companies, including Fuji Offset Plates Manufacturing Ltd and Lian Beng Group Ltd, and is the non-executive independent chairman of Cosmosteel Holdings Limited. He is also an independent director of J.P Nelson Holdings Ltd which is listed in Taiwan. In addition, he is holding directorships and chairmanship at several private companies, including as a non-executive director of AA Vehicle Inspection Centre Pte Ltd. Currently, he is the managing director of Assimilated Technologies (S) Pte Ltd.

In recognition for his contribution to the community, he was conferred the Pingat Bakti Masyarakat (The Public Service Medal) in 2004 and the Bintang Bakti Masyarakat (The Public Service Star) in 2009. Both awards were conferred by the President of Singapore. He also holds a Diploma in Management Studies from the Singapore Institute of Management and was conferred a Masters of Business Administration (Chinese Programme) from the National University of Singapore.

#### Thomas Ng

Mr Thomas Ng was appointed to the Board on 11 December 2017. He is an Independent Director and the Chairman of the Audit Committee. He is also a member of both the Nominating Committee and the Remuneration Committee.

Mr Thomas Ng 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-ST listed companies. He has vast experience on audit matters, having performed the full spectrum of statutory reporting, operational audit, risks based business audit, business process evaluation and consultation, merger and acquisition due diligence, and other certification work, for a multitude of companies, many of which are listed either in Singapore or overseas.

From 1997 to 1999, he was a credit analyst and marketing senior officer in OCBC Bank, where he managed a portfolio comprising of 60 investments and projects, performed credit administration, risk management and debt restructuring. From 2000 to 2004, he was appointed to executive positions at various companies, where he had further honed his skills at risk management and planning. In 2004 and 2011, he co-founded EV Capital Limited and founded One Investment & Consultancy Limited respectively. Both companies

are involved in private equity investments. Under his management and leadership, his investment team has successfully invested in numerous SGX-ST listed and foreign exchange-listed companies.

With his experience in a wide range of industries, from audit/accounting to banking/financial institutions, corporate finance and capital markets, Mr Thomas Ng will be able to provide invaluable advice to the Board, not only on audit, accounting and finance matters, but in relation to, *inter alia*, the Proposed Investment Business.

#### Rainer Teo

Mr Rainer Teo was appointed to the Board on 11 December 2017. He is an Independent Director and the Chairman of the Remuneration Committee. He is also a member of both the Audit Committee and the Nominating Committee.

Mr Rainer Teo has over ten years working experience in the banking and finance industry, with a focus on investment management and advisory matters and fund-raising. He has held various senior management positions in numerous banks and venture capitalist firms, ranging from Citibank, Credit Suisse AG Singapore and ABN AMRO Private Banking, to Quintessential Investments Pte. Ltd. and ThirdRock Group.

He holds a Bachelor of Computing Specialisation, majoring in Distributed Computing Systems, from Monash University. He also holds a Master of Applied Finance from Monash Business School.

With his experience in investment management and fund-raising, Mr Rainer Teo will be able to provide invaluable advice to the Board in relation to, *inter alia*, the Proposed Investment Business, and should the Company require additional funding in future for its business plans.

#### Wilson Teng

Mr Wilson Teng was appointed to the Board on 19 March 2018. He is the Chief Executive Officer and Executive Director of the Company. Mr Wilson Teng has over twenty years working experience in the data center industry in Singapore, Hong Kong and China, with a focus on Sales Management and Strategy and Complex Transactional Deal Experience.

During his tenure at Current GTT Communications, Mr Wilson Teng was responsible for all business planning, recruiting and sales activities for key and emerging markets in the IP Transit/data/collocation services. Mr Wilson Teng developed strategic executive level partnerships with key clients, growing business in Asia by 25% annually from FY2008 to FY2012.

As the Vice President of iAdvantage's (listed in the Hong Kong Stock Exchange as Sunevision) Sales and Business Development division, Mr Wilson Teng built and executed the go to market strategy across the Asia Pacific region, building a business and sales operations team that addressed new markets as well as existing customers ranging from Google, Microsoft, UBS, Alibaba, Facebook, Singtel and other key ecosystem players.

Mr Wilson Teng holds a Masters of Business Administration from California State University and holds strong executive relationships with many industry leaders of enterprises and well established partners gained during his tenure with iAdvantage, Digital Realty (listed in the New York Stock Exchange as DLR) and Current GTT Communications.

### 13.3 Requisition for Proposed Removal of Existing Directors

The Company is putting up Ordinary Resolutions 1 to 4 for the removal of Messrs Low Beng Tin, Thomas Ng, Rainer Teo and Wilson Teng as Directors of the Company as requisitioned by the Requisitionists under the Requisition Notices.

### 13.4 Board's Views of Proposed Removal of Existing Directors

#### *Objection to the Proposed Business Diversification*

The Board presumes that the Requisitionists are calling for the removal of the Existing Directors because they object to the Proposed Business Diversification being put forward to Shareholders for approval under any circumstance.

As further elaborated in Section 5 of this Circular, the Board is of the view that the Proposed Business Diversification is in the interest of the Company and Shareholders, and at the very least, Shareholders should be given the opportunity to consider the merits of the Proposed Business Diversification and vote whether to approve the Proposed Business Diversification (or not) at the EGM, rather than totally precluded from doing so.

Shareholders should note that if more than one Existing Director is removed through the passing of Ordinary Resolutions 1, 2, 3 and/or 4 as the case may be, Ordinary Resolution 9 relating to the Proposed Business Diversification will not be put up for voting by Shareholders.

#### *Questions over the Wayco Acquisition*

There have been various queries raised, *inter alia*, as to terms, rationale and manner in which the Wayco Acquisition was carried out, for which the relevant answers or explanations have been given and are set out in Section 10 of this Circular.

#### *Questions over the relationship between the Existing Directors and the Controlling Shareholder Ms Ng Siew Hong*

The Board would like to reiterate that there is a strong independent element on the Board:

- (i) All the Existing Directors, other than Mr Wilson Teng who is the CEO and Executive Director, are independent Directors who are not Substantial Shareholders or Controlling Shareholders of the Company or related to person(s) who are Substantial Shareholders or Controlling Shareholders of the Company.
- (ii) There are minimal relationships or connections between the Existing Directors and Ms Ng Siew Hong, a Controlling Shareholder who nominated the Existing Directors (other than Mr Wilson Teng) for appointment to the Board, that may interfere or may reasonably be perceived to interfere with the exercise of their independent business judgment with a view to the best interests of the Company.

To elaborate:

Mr Low Beng Tin was introduced to Ms Ng Siew Hong by Mr Ng Cheow Chye as a possible candidate for Independent Director and Chairman of the Board. Prior to this introduction, Mr Low Beng Tin was not acquainted with Ms Ng Siew Hong<sup>6</sup> nor with the other Independent Directors.

Mr Thomas Ng and Mr Rainer Teo are business acquaintances of Ms Ng Siew Hong and she had recommended them as possible suitable candidates for Independent Directors given their respective background and experience.

Mr Wilson Teng was recruited to join the Company after the resignation of the former CEO and Executive Director, through the introduction of an independent consultant and was not acquainted with Ms Ng Siew Hong prior to joining the Company.

#### *Questions over the suitability of the Existing Directors*

Mr Thomas Ng, Mr Rainer Teo and Mr Wilson Teng have no prior experience in being directors of Singapore listed companies, but they have undertaken to attend training courses for first time directors and Mr Rainer Teo has completed the “Listed Company Directors Essentials” course conducted by the Singapore Institute of Directors on 13 March 2018. Mr Thomas Ng and Mr Wilson Teng is scheduled to attend the same on 10 May 2018.

Mr Low Beng Tin had previously inadvertently omitted to make the following disclosures in relation to himself to the Company in connection with his appointment, which resulted in inaccuracies to the announcement made by the Company on 11 December 2017, which the Company has since duly amended or updated in announcements of 24 December 2017 and 15 February 2018 respectively (“**Appointment Announcement**”).

- (a) During his tenure as an independent director of China Yongsheng Limited (“**CYSL**”), CYSL received a public reprimand by SGX-ST on 23 June 2009 and a warning from the Monetary Authority of Singapore on 1 February 2011, for the failure to disclose material information as required under the SGX-ST Listing Manual (“**Regulatory Action**”).
- (b) Mr Low Beng Tin was a director of OSEC Shipyard Pte Ltd (“**OSEC**”) from 12 January 2007 to 15 December 2014. Oceanfront Trading Ltd, a company incorporated in the British Virgin Islands, had on 12 December 2016 filed an application with the Singapore High Court to wind up OSEC on the basis that OSEC Shipyard Pte Ltd had failed to pay or satisfy a sum arising from a settlement agreement dated 6 March 2014 entered into between Oceanfront Trading Ltd and OSEC, which represented the unpaid sum owing by OSEC to Oceanfront Trading Ltd under the term of the said settlement agreement (“**Winding Up Application**”).

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6 Ms Ng Siew Hong acquired 29% of the issued share capital in the Company from Mr Ng Cheow Chye and other sellers, including Mr Low Beng Tin. Mr Low Beng Tin sold his shares to Ms Ng Siew Hong through the introduction of Mr Ng Cheow Chye, but Mr Low Beng Tin did not know Ms Ng Siew Hong at the juncture of such sale and did not meet or speak to Ms Ng in the process of the sale; the sale was conducted through intermediaries.



In response to queries from SGX-ST, Mr Low Beng Tin has explained that it was solely due to inadvertent omission that he had failed to disclose relevant details of the Regulatory Action and the Winding Up Application, *inter alia*, to the Company and not due to any intention to conceal or omit to disclose important unfavourable facts which may affect his appointment, and in particular:

- (i) The Regulatory Action occurred in 2009 and he ceased to be a director of CYSL since 25 July 2016. A report by KPMG Advisory Services Pte Ltd to CYSL's audit committee in relation to the Regulatory Action concluded that the assertions that the independence of the then independent directors of CYSL (including Mr Low Beng Tin) were compromised was without basis, and he was not found to be guilty of any misconduct or misdemeanour in such incident. Given the minimal impact of the incident on himself, he did not have a strong recollection of the incident, and inadvertently failed to disclose this.
- (ii) Mr Low Beng Tin ceased to be a director of OSEC on 15 December 2014. He learnt of the Winding-Up Application after he resigned from Oakwell Engineering Limited ("OEL") the holding company of OSEC on 18 October 2016 and was no longer part of the management of the OEL group. Although the date of filing of the Winding Up Application (12 December 2016) was announced by OEL (on 13 December 2016), it did not particularly occur to him that such date was still within two years from his cessation as a director of OSEC (by a matter of 3 days), and hence he inadvertently failed to disclose this.

Mr Low Beng Tin has confirmed that save for inadvertent omission to disclose the Regulatory Action and the Winding Up Application, he is not aware of any other inaccuracies in respect of the Appointment Announcement or his appointment as director of the Company.

*Questions over circumstances under which some Existing Directors were appointed to the Board*

Messrs Low Beng Tin, Thomas Ng and Rainer Teo were nominated for appointment to the Board by our Controlling Shareholder, Ms Ng Siew Hong, on 5 December 2017, following her acquisition of shares on 22 November 2017. Based on the Company's records, the then board of directors was supposed to consider their proposed appointment at a meeting held on 8 December 2017 but deferred deliberations of such matter, *inter alia*, as Ms Ng Siew Hong did not attend the said meeting although she was invited to do so, and subsequently, all of the then Independent Directors of the Company resigned on 10 December 2017. The remaining Directors of the Company subsequently met on 11 December 2017 to consider the proposed appointment of Messrs Low Beng Tin, Thomas Ng and Rainer Teo and after due deliberations, approved such appointment on 11 December 2017.

The Board notes that as directed by SGX-ST, the scope of the Internal Controls Review will include a review of the Company's processes relating to board appointment and nomination by shareholders, and the Board intends to adopt whatever recommendations (if any) that may be made by RHT following such review.

However, the Board should point out that the relevant Existing Directors were not involved in the process over which they were appointed, and hence should not be prejudiced by any adverse perception of the same (if any), and instead, Shareholders should assess their suitability to remain in office purely based on their qualifications, experience and background, and whether Shareholders support the Board's proposal and recommendations for the Company's future strategic business direction and plans.



### *Continuity of management*

The Existing Directors bring with them a wealth of experience, including experience in the fund/asset management industry (particularly in the case of Mr Rainer Teo), corporate finance and audit/accounting industry (particularly in the case of Mr Thomas Ng), general corporate/commercial/industry experience (particularly in the case of Mr Low Beng Tin) and sales management and strategy (particularly in the case of Mr Wilson Teng), all of which will be useful in spearheading or guiding the Company in the implementation of its new strategic business direction.

Having worked closely together since their appointment to the Board, the Existing Directors are confident of being able to implement their recommended strategy of the Proposed Business Diversification for the Company as long as a majority of the Board continues to remain in office.

For that reason, it has been proposed that as long as only one or none of Ordinary Resolutions 1, 2, 3 and 4 is passed at the Company EGM (which means that the majority of the Board will remain and will be able to implement the Proposed Business Diversification), Ordinary Resolution 9 will be put up for voting by Shareholders.

### *Further opportunity to evaluate Board's performance*

As mentioned above, assuming Shareholders are in favor of the Proposed Business Diversification and approve the same at the EGM, it would be reasonable and logical for Shareholders to allow the Existing Directors to remain on the Board, so they can be in a position to implement or oversee the new strategic business direction of the Company that has been proposed and recommended by them.

In any event, given that the Existing Directors were appointed to fill causal vacancies, under the Constitution of the Company, all of the Existing Directors would have to be subject to retirement and re-election at the next annual general meeting of the Company, and Shareholders will have an opportunity to evaluate their performance and vote on their re-election accordingly at such annual general meeting to be convened.

## **14. PROPOSED APPOINTMENT OF PROPOSED NEW DIRECTORS**

### **14.1 Introduction**

The Proposed Appointment of Proposed New Directors was proposed by the Requisitionists under the Requisition Notices.

The Proposed New Directors are Messrs Ng Boon Yew, Loo Cheng Guan, Intan Ng and Koh Wee Seng, and a brief overview of their professional background and experience has been set out in the Requisition Notices, which Shareholders can refer to in Appendices A and B of this Circular.

Of the Proposed New Directors, Messrs Ng Boon Yew, Loo Cheng Guan and Koh Wee Seng are proposed by the Requisitionists to be appointed as Independent Directors, while Ms Intan Ng will presumably be appointed as Executive or non-Executive Director.

Save as discussed below, the Board and the Company have not conducted an independent review or verification of the accuracy of the views, opinions, statements and/or information relating to the Proposed New Directors as contained in the Requisition Notices.

## 14.2 Conditionality

Shareholders should note that the outcome of Shareholders' decisions on the Proposed Removal of Existing Directors and the Proposed Appointment of Proposed New Directors is **key and critical** to determining whether Ordinary Resolution 9 in relation to the Proposed Business Diversification will be put up for voting at the EGM. Please refer to Section 1.2 of this Circular for an elaboration on the inter-conditionality of the Proposed Resolutions.

Shareholders who are in favour of the Proposed Business Diversification should vote against the Proposed Removal of Existing Directors and the Proposed Appointment of Proposed New Directors at the EGM, otherwise they may not have the opportunity to vote on Ordinary Resolution 9 in relation to the Proposed Business Diversification at the EGM.

## 14.3 General

In deciding whether to vote for or against the Ordinary Resolutions in relation to the Proposed Removal of Existing Directors and the Proposed Appointment of Proposed New Directors, Shareholders should also note that:

- (a) pursuant to Section 145(1) of the Act, the Company shall have at least one director who is ordinarily resident in Singapore; and
- (b) pursuant to Article 86 of the Constitution, the number of Directors shall be not less than two.

In the event that the number of Directors is less than two, the sole Director shall have the power to appoint any person to be a director of the Company either to fill a casual vacancy or as an additional director pursuant to Article 104 of the Constitution, read with Article 98 of the Constitution.

## 15. THE PROPOSED SPECIAL DIVIDEND

### 15.1 Proposed Special Dividend

As announced on 24 January 2018, the Company intends to undertake the proposed distribution of a one-tier tax-exempt special cash dividend of S\$0.01 for each Share ("**Proposed Special Dividend**") held by a Shareholder.

### 15.2 Details of the Proposed Special Dividend

With the completion of the Disposal, the Company proposes to distribute a one-tier tax-exempt special cash dividend of S\$0.01 for each Share held by the Shareholder as at a Books Closure Date to be determined. Based on the Company's issued and paid-up Shares comprising 219,074,844 Shares (excluding treasury shares) as at the Latest Practicable Date, an aggregate amount of approximately S\$2.19 million will be paid out to the Shareholders pursuant to the Proposed Special Dividend.

### 15.3 Rationale

The Proposed Special Dividend will utilise part of the net sale proceeds raised from the Disposal, and is in recognition of, and to reward Shareholders for their continued support of the Company. The quantum of the Proposed Special Dividend has taken into account, *inter alia*, the cash requirements for the Company's operating expenses for the Existing

Business and the currently anticipated requirements for the Proposed Consumer Business and Proposed Investment Business, and based on the Company's present financial position.

#### 15.4 Conditions

15.4.1 The Proposed Special Dividend is subject to the following conditions:

- (a) the approval of Shareholders by way of an ordinary resolution relating to the Proposed Special Dividend at the EGM; and
- (b) the approval of all other relevant regulatory authorities (if any and if necessary) and/or satisfaction of any statutory requirements which may be applicable in connection with the Proposed Special Dividend.

The Company will announce in due course the Books Closure Date and the payment date for the Proposed Special Dividend. Shareholders should note that as the Books Closure Date is conditional on the conditions as stated above, in order to be entitled to the Proposed Special Dividend, Shareholders would have to continue to hold the Shares up to the Books Closure Date.

**If you are in any doubt as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

15.4.2 The payment of the Proposed Special Dividend will be made in the following manner:

- (a) Shareholders holding Scrip Shares

Shareholders whose Shares are registered in the Register of Members as at the Books Closure Date will have the cheques for payment of their entitlements to the Proposed Special Dividend despatched to them by the Share Registrar by ordinary post at their own risk. The Company shall not be liable for any loss in transmission.

- (b) Scripless Shareholders

Shareholders who are depositors and who have Shares standing to the credit of their securities accounts as at the Books Closure Date will have the cheques for payment of their respective entitlements to the Proposed Special Dividend despatched to them by CDP by ordinary post at their own risk. Alternatively, such Shareholders will have payment of their respective entitlements to the Proposed Special Dividend made in such other manner as they may have agreed with CDP for the payment of dividends or other distributions. The Company shall not be liable for any loss in transmission.

#### 15.5 Financial Effects

15.5.1 The *pro forma* financial effects of the Proposed Special Dividend have been prepared based on the audited financial statements of the Group for the financial year ended 31 July 2017, and assuming that the Disposal had been completed then.

15.5.2 The *pro forma* financial effects of the Proposed Special Dividend are for illustrative purposes only, and do not necessarily reflect the actual future financial position and performance of the Group following the completion of the Proposed Special Dividend, and do not take into account any expenses that may be incurred in relation thereto.

(a) Share capital

The Proposed Special Dividend will not have any impact on the Company's share capital.

(b) Earnings per Share

The Proposed Special Dividend will not have any impact on the Group's earnings per Share.

(c) Net tangible asset per Share

For illustrative purposes, assuming that the Proposed Special Dividend had been completed on 31 July 2017, the *pro forma* financial effects of the Proposed Special Dividend on the net tangible asset per Share of the Group are as follows:

	After the Disposal but before the Proposed Special Dividend	After the Disposal and the Proposed Special Dividend
NTA (S\$'000) <sup>(1)</sup>	92,559	90,369
Number of Shares <sup>(2)</sup>	219,074,844	219,074,844
Net tangible asset per Share (cents)	42.25	41.25

**Notes:**

(1) Taking into account the gross proceeds from the Disposal, estimated expenses attributable to the Disposal and tax.

(2) Excluding treasury shares.

(d) Gearing

The Company does not have any borrowings as at 31 July 2017. Accordingly, the Proposed Special Dividend will not have any impact on the Group's gearing.

## 16. INTERESTS OF DIRECTORS, PROPOSED NEW DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors, Proposed New Directors and Substantial Shareholders (both direct and deemed) in the Shares as at the Latest Practicable Date, as recorded in the register of Directors' shareholdings and the register of Substantial Shareholders' shareholdings kept by the Company, and as informed by the Proposed New Directors (as the case may be) are set out below:

	Direct		Deemed	
	No. of Shares <sup>(1)</sup>	% <sup>(2)</sup>	No. of Shares <sup>(1)</sup>	% <sup>(2)</sup>
<b>Non-Executive Directors</b>				
Low Beng Tin	278,859	0.127	—	—
Thomas Ng	—	—	—	—
Rainer Teo	—	—	—	—
<b>Proposed New Directors</b>				
Ng Boon Yew	—	—	—	—
Loo Cheng Guan	—	—	—	—
Intan Ng	10,000	0.005	35,038,133	15.994
Koh Wee Seng	—	—	—	—
<b>Substantial Shareholders</b>				
Ng Siew Hong	63,531,705	29.000	—	—
Uniseraya Holdings Pte. Ltd	33,733,333	15.398	—	—
Ng Khim Guan <sup>(3)</sup>	166,666	0.076	33,733,333	15.398
Kwek Li Chien <sup>(3)</sup>	—	—	33,733,333	15.398
Ng Han Meng <sup>(5)</sup>	1,177,999	0.538	33,733,333	15.398
Intan Ng <sup>(6)</sup>	10,000	0.005	35,038,133	15.994

Other than through their respective shareholdings in the Company, none of the Directors or Controlling Shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company) in the Proposed Business Diversification and the Proposed Special Dividend.

### Notes:

- (1) Based on the Company's register of members as at the Latest Practicable Date.
- (2) Based on the total issued share capital of the Company (excluding treasury shares) of 219,074,844 Shares as at the Latest Practicable Date.
- (3) Mr Ng Khim Guan and Ms Kwek Li Chien's deemed interests arise from the 33,733,333 Shares in which Uniseraya Holdings Pte. Ltd. has an interest.
- (4) Mr Ng Han Meng's direct interest in 1,177,999 Shares is held in his own name, and his deemed interest arise from the 33,733,333 Shares in which Uniseraya Holdings Pte. Ltd. has an interest.
- (5) Ms Intan Ng's direct interest in 10,000 Shares is held in her own name, and her deemed interest arise from the 33,733,333 Shares in which Uniseraya Holdings Pte. Ltd. has an interest and the 1,304,800 Shares in nominee account(s).

## 17. NO ABSTENTION FROM VOTING

Mr Low Beng Tin, the Chairman and Independent Non-Executive Director who is the subject of Ordinary Resolution 1 and has an aggregate interest in 278,859 Shares representing approximately 0.127% of the total issued Shares as at the Latest Practicable Date, is entitled to and intends to vote against Ordinary Resolution 1 of the Notice of EGM.

## **18. EXTRAORDINARY GENERAL MEETING**

The EGM, notice of which is set out on pages 151 to 153 of this Circular, will be held at Fuji Room, 137 Cecil Street, Hengda Building, #03-01, Singapore 069537 on 20 April 2018 at 2.00 p.m. for the purpose of considering and if thought fit, passing, with or without modification to Ordinary Resolutions 1 to 10 set out in the Notice of EGM.

## **19. ACTION TO BE TAKEN BY SHAREHOLDERS**

Shareholders who are unable to attend the EGM and who wish to appoint a proxy or proxies to attend and vote on their behalf should complete, sign and return the Proxy Form attached to the Notice of EGM in accordance with the instructions printed therein as soon as possible and, in any event, so as to arrive at the Company's Share Registrar Office, M&C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902, not later than 48 hours before the time fixed for the EGM. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes in place of the proxy.

A Depositor shall not be regarded as a Shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register maintained by CDP not less than 72 hours before the time fixed for the EGM or any adjournment thereof.

## **20. DIRECTORS' RESPONSIBILITY STATEMENT**

Save for the information in relation to the Proposed New Directors (which was provided to the Company by the Requisitionists or as otherwise indicated), the Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Removal of Existing Directors, the Proposed Appointment of New Directors, the Proposed Business Diversification and the Proposed Special Dividend and the Company and its subsidiaries which are relevant to the Proposed Removal of Existing Directors, the Proposed Appointment of Proposed New Directors, the Proposed Business Diversification and the Proposed Special Dividend and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

## **21. INSPECTION OF DOCUMENTS**

The Constitution is available for inspection at the registered office of the Company during normal business hours from the date of this Circular up to the date of the EGM.

Yours faithfully  
For and on behalf of the Board  
**DATAPULSE TECHNOLOGY LIMITED**

Lee Kam Seng  
Chief Financial Officer and Company Secretary  
26 March 2018

## APPENDIX A – FIRST REQUISITION NOTICE

Date: 26 December 2017

By Courier

To: The Board of Directors  
Datapulse Technology Limited  
15A Tai Seng Drive  
Datapulse Industrial Building  
Singapore 535225

Dear Sirs

- (1) **REQUISITION TO CONVENE EXTRAORDINARY GENERAL MEETING OF DATAPULSE TECHNOLOGY LIMITED (THE "COMPANY") PURSUANT TO SECTION 176 OF THE COMPANIES ACT (THE "ACT")**
- (2) **SPECIAL NOTICE PURSUANT TO SECTION 152(2) READ WITH SECTION 182 OF THE ACT**

We, the undersigned, hold in aggregate 35,035,933 ordinary shares of the Company as at the date of this letter, comprising (i) 33,733,333 held by Uniseraya Holdings Pte Ltd and (ii) 1,302,600 held by Ng Bie Tjin @ Djuniarti Intan.

Pursuant to section 176 of the Act, we, being the holders of aggregate 35,035,933 ordinary shares of the Company and being holders of not less than 10% (approximately 16%) of the total number of paid-up shares of the Company carrying the right of voting at general meetings as at the date of this requisition, require you to immediately proceed to convene an extraordinary meeting of the Company ("EGM"), to be held as soon as practicable, but in any case not later than 2 months after the receipt by the Company of this requisition, for the purposes of considering and if deemed fit, passing with or without any modifications, the following ordinary resolutions.

### Ordinary Resolution 1

That **LOW BENG TIN** be removed as Non-Executive Chairman and director of the Company with effect from the date of this EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies.

### Ordinary Resolution 2

That **THOMAS NG DER SIAN** be removed as a director of the Company with effect from the date of this EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies.

### Ordinary Resolution 3

That **RAINER TEO JIA KAI** be removed as a director of the Company with effect from the date of this EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies.

### Ordinary Resolution 4

That **KEE SWEE ANN** be removed as a director of the Company with effect from the date of this EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies.



**Ordinary Resolution 5**

That **NG BOON YEW** be appointed as a director of the Company with effect from the date of this EGM.

**Ordinary Resolution 6**

That **LOO CHENG GUAN** be appointed as a director of the Company with effect from the date of this EGM.

**Ordinary Resolution 7**

That **NG BIE TJIN @ DJUNIARTI INTAN** be appointed as a director of the Company with effect from the date of this EGM.

**Ordinary Resolution 8**

That **KOH WEE SENG** be appointed as a director of the Company with effect from the date of this EGM.

**Ordinary Resolution 9**

That any directors of the Company who may have been appointed between the date of this Notice and the date of this EGM be removed.

**Ordinary Resolution 10**

That the Company shall not carry out any diversification beyond its businesses as at 10 December 2017, until such time that a complete feasibility study of any proposed diversification has been carried out, and that any proposed diversification be put before shareholders of the Company for their prior approval, and that the Directors be directed to take such steps and do all such acts and things as may be necessary or expedient to put into effect the matters set out in this Resolution in the best interests of the Company and all shareholders and stakeholders.

We have proposed the above resolutions for the interests of the Company and all shareholders and stakeholders, details of which can be found in the note set out at **Schedule 1** to this letter.

Copies of the brief *curricula vitae* of the proposed directors are also enclosed at **Schedule 2** to this letter.



Signed for and on behalf of  
**UNISERAYA HOLDINGS PTE LTD**



**NG BIE TJIN @ DJUNIARTI INTAN**



## SCHEDULE 1

### A. INTRODUCTION

Pursuant to Section 176 of the Companies Act (Cap. 50), we, the undersigned, being the holders of aggregate 35,035,933 ordinary shares of **DATAPULSE TECHNOLOGY LIMITED** (the “Company”) and being holders of not less than 10% (approximately 16%) of the total number of paid-up shares of the Company carrying the right of voting at general meetings as at the date of this requisition, have requested the directors of the Company to convene an extraordinary general meeting of the Company (“EGM”).

The purpose of this EGM is for the shareholders to consider the removal of **LOW BENG TIN, THOMAS NG DER SIAN, RAINER TEO JIA KAI** and **KEE SWEE ANN** (collectively the “December Board”; reference to the “New Board” would be to the December Board and Mr Ng Cheow Chye, Executive Director) as directors of the Company, as well as from any appointments that they may hold within the Company, its subsidiaries and its associated and investee companies, to appoint new directors to replace the December Board, and for the Company to properly evaluate its diversification and investment strategy and to consolidate its business in the meantime.

The first transaction approved by the New Board was carried out one day after the December Board was appointed on 11 December 2017 – to acquire Wayco Manufacturing (M) Sdn Bhd (“Wayco”) for a cash consideration of S\$3.5 million and enter into an entirely new business of manufacturing hair care, cosmetics and other homecare chemical products through the acquisition. This transaction was announced on 12 December 2017, and completed 3 days later on 15 December 2017.

That, coupled with the sale of its property situated at 15A Tai Seng Drive Singapore 535225 (the “Tai Seng Property”) where the Company’s core business of manufacturing of media storage products was carried out and the failure to acquire alternative premises for such business and the resignations of all three independent directors (namely, Mr Hee Theng Fong, Mr Guok Chin Huat Samuel, and Mr Hilary Quah Lam Seng) and two long-standing executive directors (namely, Mr Ng Cheow Leng and Mr Si Yok Fong @ Chin Yok Fong) from the Board on 10 and 11 December 2017 respectively, raise issues about whether the interests of the Company and all shareholders and stakeholders will be served.

In the circumstances, we have decided to call for the removal of the December Board, and for their replacement by directors who can, in our view, better represent the interests of the Company and all shareholders and stakeholders.

A summary of the chronology of events and issues that have arisen is set out below.

### B. CHRONOLOGY OF EVENTS

#### The Property Transactions

1. On 13 July 2017, the Company applied to the Singapore Exchange (“SGX”) for a waiver to seek prior shareholders’ approval for the grant of an option (the “TS Option”) to an independent third party for the sale of the Tai Seng Property for S\$53.5 million. On 21 July 2017, the waiver was granted by SGX.
2. 10 days later on 31 July 2017, the Company announced the grant of the TS Option on 26 July 2017 and the waiver by SGX. Completion of the sale of the Tai Seng Property was expected to be by 30 November 2017, with vacant possession to be delivered no later than 31 December 2017.

3. On 7 August 2017, the Company announced that it had, on 4 August 2017, been granted an option (the "TP Option") by an unrelated party to purchase an industrial property at Toa Payoh (the "Toa Payoh Property") valid up to 3 September 2017 for S\$10.5 million, subject to JTC granting approval for the sale and assignment to the Company of the unexpired terms of the lease and the use of the Toa Payoh Property for the manufacture of media storage products.
4. On 8 August 2017, the Company announced that the TS Option had been exercised by the purchaser.
5. On 4 September 2017, the Company announced that the TP Option had been extended to 18 September 2017.
6. On 12 September 2017, the Company issued a circular to convene an EGM on 28 September 2017 to seek shareholders' approval for the disposal of the Tai Seng Property. The EGM circular disclosed that the Tai Seng Property was currently used for the Group's manufacturing activities and that it was concurrently looking to relocate to a building which is more appropriate for its current manufacturing activities.
7. On 18 September 2017, the Company announced that it had exercised the TP Option.

#### EGM on 28 September 2017

8. On 28 September 2017, the Company held its EGM and obtained shareholders' approval for the disposal of the Tai Seng Property.

#### AGM on 9 November 2017

9. On 24 October 2017, the Company issued a notice to convene its AGM on 9 November 2017.
10. At the AGM held on 9 November 2017, all resolutions were duly passed, including the resolution to re-elect Mr Ng Cheow Chye, the Company's Deputy Chairman and CEO, and Mr Hilary Quah Lam Seng, an independent director, as directors.

#### Disposal of Mr Ng Cheow Chye's entire stake in the Company to Ms Ng Siew Hong

11. Based on the announcement made by the Company on 23 November 2017, on 10 November 2017, Mr Ng Cheow Chye, who is also a controlling shareholder of the Company holding 48,947,366 shares (about 22.343% of the total number of paid up shares of the Company), entered into a sale agreement to sell his entire stake *via* an off-market transaction, at a price of S\$0.55 per share, a 52.8% premium over the closing price of \$0.36 per share on 9 November 2017. Based on the Company's full-year financial statements for the financial year ended 31 July 2016, its net book value per share was 22.07 cents. The *pro forma* net tangible asset per share after the proposed disposal of the Tai Seng Property as disclosed in its circular to shareholders dated 12 September 2017 was 41.24 cents.
12. In accordance with his obligations under the Securities and Futures Act (Cap. 289) (the "SFA"), Mr Ng Cheow Chye disclosed his change of interest within 2 business days from the signing of the agreement on 14 November 2017. A change of interest notification was submitted by Ms Ng Siew Hong on 23 November 2017, relating to her acquisition of a total of 63,531,705 shares in the Company (amounting to about 29% of the total issued share capital of the Company) *via* an

off-market transaction. Ms Ng Siew Hong's total interest in the Company was just below the 30% threshold required for a mandatory general offer.

13. On 25 November 2017, 15 days later after the sale agreement was entered into by Mr Ng Cheow Chye to sell his entire stake in the Company, it was announced by the Company that the purchaser of Mr Ng Cheow Chye's stake was Ms Ng Siew Hong.

#### *Termination of TP Option*

14. On 14 November 2017, approximately 1½ months after the EGM approving the disposal of the Tai Seng Property on 28 September 2017 and 5 days after the AGM on 9 November 2017, the Company announced that the TP Option had been terminated. For the first time, the Company disclosed that it had, on 4 and 22 September 2017, received letters from the National Environment Agency ("NEA"), rejecting its application for change of use for the Toa Payoh Property. The letters from the NEA were received before the EGM on 28 September 2017 and the AGM on 9 November 2017.
15. On 15 November 2017, the Company received a query from the SGX regarding the termination of the TP Option. The SGX's queries were as follows: (1) *"What are the implications, including any financial implications, to the termination of the Option to purchase of the Toa Payoh property?"* and (2) *"In view that the option to sell the Company's existing property was exercised, how will your manufacturing activities be impacted and what are the Company's plans?"*
16. On 18 November 2017, the former board of directors of the Company ("**Former Board**") (comprising Mr Ng Cheow Chye, Mr Ng Cheow Leng, Mr Si Yok Fong @ Chin Yok Fong, Mr Hee Theng Fong, Mr Guok Chin Huat Samuel and Mr Hilary Quah Lam Seng,) responded to SGX's two queries. The following is the Company's response to query (2): *"The Management is currently considering ceasing its manufacturing activities and exploring other business and investment opportunities. The Company does not expect a material impact to the Company's financial position if it ceases the Company's manufacturing activities as that part of the business is currently loss-making. In the event that the Management decides to continue the Company's manufacturing activities and alternative premises cannot be secured prior to the completion of the proposed disposal, there will be some disruption to the Company's manufacturing activities. However, the financial and business implications will not be material."*

#### *Ms Ng Siew Hong's intention to have Board representation*

17. In an announcement by the Company dated 25 November 2017, the Company noted that *"[Mr Ng Cheow Chye] understands that [Ms Ng Siew Hong] would like to have board representation and expects that she will be communicating directly with the [Former] Board on this matter. On the issue of board control, the [Former] Board will have to await [Ms Ng Siew Hong's] proposal"*. It was also stated in the announcement that Mr Ng Cheow Chye clarified that he is not related to or personally acquainted with Ms Ng Siew Hong, and *"does not have any background information of [Ms Ng Siew Hong] in terms of business activities"*.

#### *Ms Ng Siew Hong's notice on diversification of the Company's business*

18. In a letter dated 29 November 2017 to the Former Board, Ms Ng Siew Hong stated that *"Given that the core business of the Company is no longer profitable and the Company will be ceasing its manufacturing business soon, it will be detrimental to shareholders if efforts are not made to diversify the core business of the Company. It would be in the interests of the Company and its*

*shareholders to diversify the business of the Company to include multi-industry investments as part of the core business of the Company".*

19. The letter from Ms Ng Siew Hong dated 29 November 2017 was disclosed by the Company in an announcement dated 8 December 2017.

*Failure of Ms Ng Siew Hong to attend 8 December 2017 Board meeting of Former Board*

20. A Board meeting was held by the Former Board on Friday, 8 December 2017, from 3:30 pm to 7 pm, which Ms Ng Siew Hong was invited to attend; she did not do so. The Former Board thus did not have the opportunity to meet with Ms Ng Siew Hong to obtain further information on her business plans for the Company.

*Board changes*

21. On Sunday, 10 December 2017, all 3 independent directors, being Mr Hee Theng Fong, Chairman who had been on the Board since 1994, Mr Guok Chin Huat Samuel who had been on the Board since 2012, and Mr Hilary Quah Lam Seng who had been on the Board since 1999 and who stood for re-election at the AGM on 9 November 2017, resigned as directors of the Company, with the reason being stated as "*Change in controlling shareholder*".
22. On Monday, 11 December 2017, 2 out of the 3 executive directors of the Former Board, being Mr Ng Cheow Leng who had been on the Board since 1994, and Mr Si Yok Fong @ Chin Yok Fong who had been on the Board since 1994, also resigned as directors of the Company with the reason being stated "*Change in controlling shareholder and Board renewal*".
23. On the same day (i.e. 11 December 2017), the New Board was constituted with the appointment of the December Board comprising three independent directors and one executive director, Mr Kee Swee Ann, who was also appointed the CEO. The Audit Committee, Nominating Committee, and Remuneration Committee were accordingly reconstituted with various members of the December Board.
24. In an announcement dated 14 December 2017 (in response to an article by Professor Mak Yuen Teen dated 13 December 2017 published in the Business Times), it was disclosed (for the first time) that the December Board had been proposed by Ms Ng Siew Hong to the Former Board for consideration after she had become a controlling shareholder on 22 November 2017. In the prior announcements on 25 November, 8 and 11 December 2017 relating to Ms Ng Siew Hong and/or the appointment of the December Board, no mention was made of this, and it was unclear when Ms Ng Siew Hong wrote to or contacted the Former Board to make the nomination.
25. In an announcement dated 23 December 2017 (in response to an article by Professor Mak Yuen Teen dated 19 December 2017 published in the Business Times), it was further clarified that the three independent directors of the Former Board were not involved in the appointment of the new independent directors of the December Board, and that the latter were appointed by the then remaining directors of the Former Board. It is not clear who the remaining directors of the Former Board were, as two executive directors of the Former Board resigned the same day as the appointment of the new independent directors of the December Board took place. It was further stated that the original intention was for the appointment of the new independent directors to the December Board to be considered by the Former Board but such matter was not eventually considered as Ms Ng Siew Hong did not attend the 8 December Board meeting to present her plans to the Former Board.

### *Acquisition of Wayco by the Company*

26. On 12 December 2017, the New Board (comprised primarily of the December Board who had been appointed only *one day prior*) announced that it would be "*re-evaluating the feasibility of continuing the Group's manufacturing activities in view of certain recent developments*", including the sale of the Tai Seng Property, which may complete in January 2018 (but is uncertain) and the termination of the TP Option.
27. The New Board further announced that it had, on the same day (12 December 2017), entered into an agreement to acquire 100% of the issued share capital of Wayco, a Malaysian company for S\$3.5 million. Based on the management accounts of Wayco as at 30 June 2017, it has an unaudited net profit after tax of RM160,632 (equivalent to S\$53,201, assuming an exchange rate of RM1:S\$0.3312) for the six month period ended 30 June 2017 and an unaudited net tangible asset value of RM7,626,248 (equivalent to approximately S\$2,525,813 assuming an exchange rate of RM1:S\$0.3312).
28. This acquisition would cause the Company to enter into an entirely new business of manufacturing hair care, cosmetics and other homecare chemical products. It was also disclosed that one of the directors of the December Board and current CEO, Mr Kee Swee Ann, was formerly the General Manager of the vendor, Way Company Pte Ltd, from 2008 to 2010 and was part of the management team of Wayco.
29. 3 days later, on 15 December 2017, it was announced that the Company and the vendor of Wayco had entered into a Supplemental Agreement where the vendor had agreed that during the period of one year from the date of completion, if the Company reasonably ascertains that there are any material adverse events or matters affecting or relating to the assets, liabilities and/or business of Wayco which, if known to the Company as at the date of the SPA, would have reasonably affected the Company's decision to enter into the SPA, the Company shall have a right to require the vendor to buy back 100% of Wayco.
30. On the same day (i.e. 15 December 2017), the acquisition of Wayco was completed. This was announced 2 days later on 17 December 2017.
31. In an announcement dated 23 December 2017 (in response to an article by Professor Mak Yuen Teen dated 19 December 2017 published in the Business Times), the New Board stated that it would convene an EGM to seek shareholders' approval for a proposed diversification of the core businesses of the Company, and that shareholders would have the opportunity to raise matters concerning the business plans or direction of the Company to the New Board and management.

### **C. ISSUES AND CONCERNS**

The chronology of events has given rise to several issues and concerns, some of which are summarised below:

1. The constitution of the December Board by the directors who were nominated by Ms Ng Siew Hong after she became a controlling shareholder of the Company.
  - a. The Company has announced that the assessment and appointment of the directors nominated by Ms Ng Siew Hong to the December Board was carried out by the Former Board. No information is however provided as to *when* Ms Ng Siew Hong presented her nominees to the Former Board for assessment, *what information* she provided to the



Former Board, if any, on the background of the directors comprised in the December Board and their suitability for appointment, and *what criteria* was applied in the assessment.

- b. The Former Board did not at any time release an announcement stating that Ms Ng Siew Hong had proposed these nominees to them, or that the Former Board was assessing their suitability – not even in the final announcement made by the Former Board on Friday 8 December 2017 before their resignation. This was also not mentioned in the announcements released on 10 and 11 December 2017 regarding the resignation of 5 out of 6 of the Former Board members and the appointment of the December Board.
  - c. Ms Ng Siew Hong was invited to attend the 8 December Board meeting by the Former Board to clarify her plans for the Company. She did not do so. By Monday (11 December 2017, 3 days later), 5 out of the 6 Former Board members, including all the independent directors, had resigned, and the December Board members, who had been put up for nomination by Ms Ng Siew Hong, were appointed to the Board. Given that Ms Ng Siew Hong did not attend the 8 December Board meeting, and there is no prior mention of her having attended / met the Former Board on any other occasion, it is not apparent how the nomination of the December Board members was put forward to the Former Board. It has been recently clarified that the independent directors of the Former Board did not approve the appointment of the independent directors of the December Board, but it remains unclear who from the Former Board had approved this.
  - d. While three of the December Board members (Mr Low Beng Tin, Mr Thomas Ng Der Sian, and Mr Rainer Teo Jia Kai) have been put forward as independent directors, the fact remains that they were nominated by Ms Ng Siew Hong, and it is unclear whether their independence has been properly assessed.
  - e. Mr Thomas Ng Der Sian and Mr Rainer Teo Jia Kai have since disclosed that they are “business acquaintances” of Ms Ng Siew Hong. Neither of them has any experience as a board member of a listed company, although their other business experience have been disclosed.
  - f. Mr Low Beng Tin was announced as being introduced to Ms Ng Siew Hong by a third party. Prior to his appointment as a director of the Company, Mr Low held 979,006 shares in the Company as at 9 October 2017; on the date of his appointment, Mr Low Beng Tin held 278,859 shares in the Company. Based on an announcement made by the Company on 23 December 2017, part of Mr Low's shares in the Company were sold to Ms Ng Siew Hong on 22 November 2017. According to the 23 December 2017 announcement, 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.
2. The completion of the acquisition of Wayco in just 3 days raises questions of whether the acquisition was properly assessed and considered by the December Board, which was appointed just one day before the signing of the share purchase agreement relating to the acquisition.
    - a. While Wayco is in the manufacturing business, the goods being manufactured are entirely different from the goods which the Company manufactures. Were any feasibility studies done to assess whether Wayco's business would be compatible with the Company's businesses or whether this was an appropriate business for the Company to diversify into? Did the New Board carry out an independent valuation of Wayco (note that in an

announcement dated 15 December 2017, it was disclosed that the valuation report was sourced by the Vendor of Wayco's shares) to determine the fairness of the purchase consideration? There was no explanation as to why the Company did not seek to undertake the valuation of Wayco's properties by its own appointed valuer. It is also unclear whether any due diligence was done on the acquisition, given the short timeframe in which the acquisition was completed – the December Board was appointed on **11 December 2017**, the acquisition of Wayco was made on **12 December 2017** via entry into a sale and purchase agreement on the same day, and which was completed on **15 December 2017**. This was a mere **1 day** and **4 days** respectively, after the appointment of the December Board on 11 December 2017. If the decision to acquire Wayco was made by the New Board which comprised primarily of the December Board, the December Board only had one day to familiarise themselves with the Company's business or strategy when they made the decision.

- b. In an announcement dated 15 December 2017, the New Board noted that it has taken the view that shareholders' approval is not necessary for the acquisition of Wayco, pursuant to the relevant rules under the Listing Manual; hence, it does not intend to seek shareholders' approval for the acquisition, although it *"will in due course be seeking Shareholders' approval for the proposed diversification of the Company's core businesses to include, inter alia, manufacturing of hair care, cosmetics and other homecare chemical products, which is the business that the Target Company is engaged in."* Obtaining approval for the diversification of the Company's core business **after** the acquisition of Wayco appears to undermine the purpose of seeking such approval in the first place.
- c. In the 15 December 2017 announcement, it was also disclosed that the Company paid S\$3.5 million for Wayco, which, based on Wayco's annualised profits of S\$106,404 (based on unaudited financial statements), represents a price-earnings ratio of approximately **32.9 times**. This raises questions on, amongst other things, whether the acquisition of Wayco, was properly considered and evaluated.

#### D. CVS OF PROPOSED NEW DIRECTORS

The CVs of the proposed new directors referred to in Ordinary Resolutions 5 to 8 are attached in Schedule 2 for shareholders' attention and information.

#### E. CONCLUSION

There are significant questions that have arisen since the appointment of the December Board which affect the interests of the Company and of all its shareholders and stakeholders, and we intend to further elaborate on these issues at the requisitioned EGM. In the meantime, shareholders should also consider the recent articles by Professor Mak Yuen Teen and Anita Gabriel which raise several important questions on the Company and the December Board (Professor Mak's articles were published in the Business Times on 8, 13, and 19 December 2017, and were reproduced on the website <http://governanceforstakeholders.com/>; Anita Gabriel's article was published in the Business Times on 12 December 2017).



Until the shareholders have had their concerns addressed, the Company should refrain from any further acquisitions or divestments, and should not proceed with any investment or provision of any working / funding capital into the business of Wayco or any other parties, until the shareholders have properly given their mandate for the Company to do so.



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Signed for and on behalf of  
**UNISERAYA HOLDINGS PTE LTD**



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**NG BIE TJIN @ DJUNIARTI INTAN**

## **SCHEDULE 2 – BRIEF CURRICULA VITAE OF PROPOSED DIRECTORS**

### **Ng Boon Yew**

Mr Ng is a Chartered Accountant who was in KPMG for 25 years. He became a Partner of the firm in 1984 until his retirement in 2000. He also served as KPMG's Chairman of the Professional Practice Committee, headed its Banking Practice and was the partner in charge of Corporate Finance Services.

Since Mr Ng's retirement, he has served as Adviser to the Singapore Technologies Group. He then came out of retirement to be the Group Chief Financial Officer of Singapore Technologies Pte Ltd from July 2002 to December 2004. He is currently Chairman of Raffles Campus Group.

Mr Ng was a member of the Corporate Finance Committee under the Financial Sector Review Group, chaired by then Deputy Prime Minister Lee Hsien Loong. He was also appointed Chairman of the Disclosure and Accounting Standards Committee, established by the Ministry of Finance, Monetary Authority of Singapore and the Attorney-General's Chamber.

Mr Ng was a member of the Council on Governance of Institutions of a Public Character (IPCs), which establishes rules and regulations for IPCs in Singapore. He served as a Board Member of the National Kidney Foundation (NKF) and Chairman of its Audit Committee; he also served as Chairman of its Finance Committee. He was reappointed to the Board of NKF on 1 July 2017 and currently also serves as Chairman of its Finance Committee. He was awarded the Public Service Star in the 2004 National Day Award.

Mr Ng holds various directorships in companies listed on the Stock Exchanges of Singapore and Taiwan, and serves on boards of numerous non-profit organisations, foundations, charities and public and statutory institutions. He was formerly an independent director of Datapulse Technology Limited from 3 September 2001 to 31 July 2013. He was Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee from 3 September 2001 to 5 January 2012, and subsequently from 6 January 2012 to 31 July 2013, he was the Chairman of the Audit Committee and member of the Nominating Committee and Remuneration Committee.

### **Loo Cheng Guan**

Mr Loo founded Vermilion Gate in 2014 and formally launched it in 2016 as an advisory firm to focus on cross-border M&As.

He has been non-executive Chairman of 1 Rockstead GIP Fund II Pte Ltd., a private equity fund approved by the Singapore Government under its Global Investors Programme, since 2013. He is also chairman of Precursor Group, a Singapore-based accounting firm and honorary director of Pantheon Assets, a leading multi-family office in China.

In addition, he sits on the boards of Valuetronics Holdings Ltd., a SGX-listed EMS company, as an independent director, and of several other private companies including Fortrec Chemicals & Petroleum Pte Ltd, Amalgam Capital Partners Pte Ltd and Brash Asia Pte Ltd.

Cheng Guan had previously sat on a number of listed companies in Singapore, China and Canada, including Advance SCT Ltd as independent director and Chairman, Audit Committee and MAP Technology Holdings Ltd as independent director, Grandblue Environment Holdings Ltd and Blackbird Energy Ltd both as non-executive director.

**Ng Bie Tjin @ Djuniarti Intan**

Ms Ng was with Datapulse Technology Limited for over 22 years and was the Finance Director from January 1994 to November 2014. Apart from overseeing the daily operations of the finance functions including accounting, finance, treasury and capital management, Ms Ng was responsible for administration and implementation of the Group's corporate finance strategies and policies, corporate governance and internal control policies and procedures, investor relations, and identification and evaluation of new business opportunities. She was the key person who pushed for the company to obtain a shareholders' mandate to diversify into property development.

Ms Ng was a director of Datapulse Technology Limited from 7 January 1994 to 30 November 2014, and during that time, was a member of the Nominating Committee.

She is also an independent director of Aspial Corporation Limited from 20 January 2014 and SunMoon Food Company Limited from 31 August 2017. She is also a director of Uniseraya Holdings Pte Ltd from January 2015.

Ms Ng holds a Masters in Business Administration from the University of Southern California.

**Koh Wee Seng**

Mr Koh is Aspial's Chief Executive Officer and Executive Director and is responsible for the strategic planning, overall management and business development of the Aspial Group.

Since late 1994, when the new management team, led by Mr Koh, took over the reins, Aspial Group has overcome the challenges posed by changing consumer demand by implementing wide-ranging and fundamental changes in its jewellery business. Mr Koh has also successfully led Aspial Group's diversification into the property business in Singapore, Australia and other countries and financial service business. Mr Koh is also the Non-executive Chairman of Maxi-Cash Financial Services Corporation Ltd, AF Global Limited and World Class Global Limited, which are listed on the SGX-ST.

Mr Koh holds a Bachelor's degree in Business Administration from the National University of Singapore.

## APPENDIX B – SECOND REQUISITION NOTICE

Date: 20 February 2018

To: **The Board of Directors**  
Datapulse Technology Limited  
150 Beach Road  
The Gateway West #35-00  
Singapore 189720

Cc: **Ms June Sim**  
Head, Listing Compliance  
SGX  
(by email)

Dear Sirs

- (1) **REQUISITION TO CONVENE EXTRAORDINARY GENERAL MEETING OF DATAPULSE TECHNOLOGY LIMITED (THE "COMPANY") PURSUANT TO SECTION 176 OF THE COMPANIES ACT (THE "ACT")**
- (2) **SPECIAL NOTICE PURSUANT TO SECTION 152(2) READ WITH SECTION 182 OF THE ACT**

### Introduction

1. We, Uniseraya Holdings Pte Ltd ("**Uniseraya**") and Ng Bie Tjin @ Djuniarti Intan ("**Intan Ng**"), refer to our requisition notice which was deposited with the Company on 26 December 2017 (the "**26 December Requisition Notice**"). Pursuant to the 26 December Requisition Notice and Section 176 of the Act, the board of directors of the Company (the "**Board**") is obliged to convene an EGM by 26 February 2018.
2. Initially, upon receipt of the 26 December Requisition Notice and after obtaining legal advice, the Board announced, on 8 January 2018, that it would be convening the EGM pursuant to the 26 December Requisition Notice, and that the EGM would be held by 26 February 2018 (as it was obliged to do pursuant to s 176(3) of the Act).
3. However, the Board, in its announcement of 1 February 2018, has now taken the position that the 26 December Requisition Notice was "*technically not validly issued*" as a result of "*the irregularities between the persons signing the Requisition Notice and the number of shares in the capital which they hold as members.*" The Board has reiterated this position in its announcement of 7 February 2018; in the same announcement the Board further confirmed that it will not be convening an EGM by 26 February 2018. In other words, the Board has refused to comply with our 26 December Requisition Notice, on the basis of this alleged invalidity.
4. We do not agree with the position taken by the Board regarding the validity of the 26 December Requisition Notice. Our position, that the 26 December Requisition Notice is in full compliance with Section 176 of the Act, has already been set out in our letters to the Board dated 29 January 2018 and 2 February 2018. Nevertheless, to avoid any further technical arguments by the Board to delay matters, we are now submitting a new requisition notice (the "**20 February Requisition Notice**"), as set out below.

### **Requisition Notice**

5. Pursuant to Section 176 of the Act, we, the undersigned, being the holders in aggregate of 33,743,333 ordinary shares of the Company and being holders of not less than 10% (approximately 15.4%) of the total number of paid-up shares of the Company carrying the right of voting at general meetings as at the date of this requisition, require you, the Board, to immediately proceed to convene an extraordinary general meeting of the Company ("EGM"), to be held as soon as practicable, but in any case no later than two (2) months after the receipt by the Company of this requisition, for the purposes of considering and if deemed fit, passing with or without any modifications, the following ordinary resolutions:

#### **Ordinary Resolution 1**

That **LOW BENG TIN** be removed as Non-Executive Chairman and director of the Company with effect from the date of this EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies.

#### **Ordinary Resolution 2**

That **THOMAS NG DER SIAN** be removed as director of the Company with effect from the date of this EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies.

#### **Ordinary Resolution 3**

That **RAINER TEO JIA KAI** be removed as director of the Company with effect from the date of this EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies.

#### **Ordinary Resolution 4**

That **NG BOON YEW** be appointed as a director of the Company with effect from the date of this EGM.

#### **Ordinary Resolution 5**

That **LOO CHENG GUAN** be appointed as a director of the Company with effect from the date of this EGM.

#### **Ordinary Resolution 6**

That **NG BIE TJIN @ DJUNIARTI INTAN** be appointed as a director of the Company with effect from the date of this EGM.

#### **Ordinary Resolution 7**

That **KOH WEE SENG** be appointed as a director of the Company with effect from the date of this EGM.

#### **Ordinary Resolution 8**

That any directors of the Company who may have been appointed between the date of this requisition notice and the date of this EGM be removed.

#### **Ordinary Resolution 9**

That the Company shall not carry out any diversification beyond its businesses as at 10 December 2017, until such time that a complete feasibility study of any proposed diversification has been carried out, and that any proposed diversification be put before shareholders of the Company for their prior approval, and that the directors be directed to take such steps and do all such acts and things as may be necessary or expedient to put into effect the matters set out in this Resolution and in the best interests of the Company and all the shareholders and stakeholders.

6. We have proposed the above resolutions in the interests of the Company and its shareholders and stakeholders. Further elaboration on these resolutions can be found in Schedule 1 to our 26 December Requisition Notice, as well as in our correspondence with the Board following the submission of the 26 December Requisition Notice. The brief *curricula vitae* of the proposed directors can also be found in Schedule 2 to our 26 December Requisition Notice. The original Schedules 1 and 2 to our 26 December Requisition Notice, in their original form, are re-appended below, for reference.
7. The 26 December Requisition Notice contained 10 proposed resolutions. The 9 resolutions proposed above are identical to those submitted in the 26 December Requisition Notice, save for the original Resolution 4 of the 26 December Requisition Notice, which we have removed. The original Resolution 4 called for the removal of Mr Kee Swee Ann. Mr Kee resigned from the Board on 2 February 2018; as such, the original Resolution 4 is no longer required.
8. Given our extensive correspondence with the Board since 26 December 2017, we see no need to engage with the Board in respect of this requisition notice any further. We ask that in the best interests of the Company and its shareholders and stakeholders, the Board immediately proceed to duly convene the EGM, as it is required to do so under Section 176(1) of the Act, and in any event 21 days from the date which this Requisition Notice is deposited at the registered office of the Company.
9. Further, while the Companies Act gives the Board a certain timeframe in which to hold the EGM pursuant to this Requisition Notice, the Board must recognise that it still has an overarching duty to act in the best interests of the Company and its shareholders and stakeholders. Given the important concerns that are going to be raised at this EGM, it would undeniably be in the Company's and all of the shareholders' and stakeholders' best interests for the Board to hold the EGM at a period when a significant proportion of the Company's shareholders – and not just its majority shareholders – are able to attend.
10. Based on its 14 February announcement, the Board has indicated that it intends to hold an EGM on 27 April 2018. Leaving aside whether this EGM complies with the Board's obligations under the Act, it has been highlighted that this is the busiest time of the year for companies to hold general meetings, given that it is the second last business day for companies with December year-ends to hold their general meetings (see Professor Mak Yuen Teen's article dated 15 February 2018, on [www.governanceforstakeholders.com](http://www.governanceforstakeholders.com)). This will result in significantly lower

attendance for an EGM that is being convened to address critical matters, which is not ideal at all.

11. In view of this, it is important that the Board must refrain from holding the EGM at a time which clashes with other companies' general meetings, and try to ensure that more shareholders are able to attend the EGM to consider these issues. We also reiterate that the EGM should be held at a location which is easily accessible and at a time of day when the Company's shareholders (in particular, the more than 9,000 minority shareholders) are able to attend.
12. Finally, we note that based on the Board's announcements thus far, it appears that the Board's actions are supported by the new controlling shareholder with a 29% shareholding in the Company. We requisitionists on the other hand only have an approximate 15% shareholding. While we are far outnumbered in terms of voting rights, we are prepared to face all of the shareholders at the EGM and to put forward our case for why we have requisitioned this EGM. The Board should be prepared to do the same, and to justify its actions. Hence, we ask that the Board hold the EGM as soon as practicable (keeping in mind the issues set out at paragraphs 9 to 11 above), and to come prepared to answer the shareholders' questions with a view to acting in the best interests of the Company and its shareholders and stakeholders.

#### **Clarification of our shareholding**

13. As stated above, Uniseraya and Ms Intan Ng hold in aggregate 33,743,333 shares in the Company as at the date of this letter, comprising (i) 33,733,333 shares held directly by Uniseraya and (ii) 10,000 shares held directly by Ms Intan Ng, amounting to a total of approximately 15.4% shares in the Company. The number of shares held by Uniseraya and Ms Intan Ng in the Company is reflected in the Depository Register maintained by the Central Depository (Pte) Limited as of the date of this letter.
14. We note that the 26 December Requisition Notice states that Uniseraya and Ms Intan Ng held 35,035,933 shares in the Company as of 26 December 2017, comprising (i) 33,733,333 shares held by Uniseraya and (ii) 1,302,600 held by Ms Intan Ng. The difference in the shareholdings of Uniseraya and Ms Intan Ng between the 26 December Requisition Notice and this 20 February Requisition Notice is due to the following:

#### *Uniseraya*

- a. As at 26 December 2017, Singapore Nominees Private Limited held 10,000,000 shares in the Company on behalf of Uniseraya, while the remaining 23,733,333 shares were held directly by Uniseraya. Since then, these 10,000,000 shares have been transferred from Singapore Nominees Private Limited to Uniseraya. **Accordingly, Uniseraya is, as of the date of this Requisition Notice, the legal and direct holder of 33,733,333 shares in the Company.**

#### *Intan Ng*

- a. As at 26 December 2017, the Bank of Singapore ("BOS") held 1,302,600 shares in the Company on behalf of Ms Intan Ng. On 27 December 2017, BOS, on behalf of Ms Intan Ng, completed its purchase of a further 12,200 shares in the Company. As a result, as of 27 December 2017, BOS held 1,314,800 shares in the Company on behalf of Ms Intan Ng.



- b. As of the date of this Requisition Notice, Ms Intan Ng is the legal and direct holder of 10,000 shares in the Company, as a result of a transfer of 10,000 shares from BOS to the Depository Register maintained by the Central Depository (Pte) Limited. Additionally, Ms Intan Ng continues to hold 1,304,800 shares in the Company through BOS.

15. This is summarised in the following table:

	<b>Amount of Shares Stated in 26 December Requisition Notice</b>	<b>Manner of Holding of Shares as at 26 December</b>	<b>Amount of Shares Stated in 20 February Requisition Notice</b>	<b>Manner of Holding of Shares as at 20 February</b>
<b>Uniseraya</b>	33,733,333	Direct: 23,733,333 Indirect: 10,000,000 Total: 33,733,333	Direct: 33,733,333 Indirect: - Total: 33,733,333	Direct: 33,733,333 Indirect: - Total: 33,733,333
<b>Ms Intan Ng</b>	1,302,600	Direct: - Indirect: 1,302,600 Total: 1,302,600	Direct: 10,000 Indirect: 1,304,800 Total: 1,314,800	Direct: 10,000 Indirect: 1,304,800 Total: 1,314,800

16. We trust that the facts as set out above will be sufficient to clarify the number of shares held directly by Uniseraya and Ms Intan Ng in the Company.




Signed for and on behalf of  
**UNISERAYA HOLDINGS PTE LTD**

**NG BIE TJIN @ DJUNIARTI INTAN**

**Note: Schedules 1 and 2 to the 26 December Requisition Notice, in their original form, are appended below.**

## SCHEDULE 1

### A. INTRODUCTION

Pursuant to Section 176 of the Companies Act (Cap. 50), we, the undersigned, being the holders of aggregate 35,035,933 ordinary shares of **DATAPULSE TECHNOLOGY LIMITED** (the "**Company**") and being holders of not less than 10% (approximately 16%) of the total number of paid-up shares of the Company carrying the right of voting at general meetings as at the date of this requisition, have requested the directors of the Company to convene an extraordinary general meeting of the Company ("**EGM**").

The purpose of this EGM is for the shareholders to consider the removal of **LOW BENG TIN, THOMAS NG DER SIAN, RAINER TEO JIA KAI** and **KEE SWEE ANN** (collectively the "**December Board**"; reference to the "**New Board**" would be to the December Board and Mr Ng Cheow Chye, Executive Director) as directors of the Company, as well as from any appointments that they may hold within the Company, its subsidiaries and its associated and investee companies, to appoint new directors to replace the December Board, and for the Company to properly evaluate its diversification and investment strategy and to consolidate its business in the meantime.

The first transaction approved by the New Board was carried out one day after the December Board was appointed on 11 December 2017 – to acquire Wayco Manufacturing (M) Sdn Bhd ("**Wayco**") for a cash consideration of S\$3.5 million and enter into an entirely new business of manufacturing hair care, cosmetics and other homecare chemical products through the acquisition. This transaction was announced on 12 December 2017, and completed 3 days later on 15 December 2017.

That, coupled with the sale of its property situated at 15A Tai Seng Drive Singapore 535225 (the "**Tai Seng Property**") where the Company's core business of manufacturing of media storage products was carried out and the failure to acquire alternative premises for such business and the resignations of all three independent directors (namely, Mr Hee Theng Fong, Mr Guok Chin Huat Samuel, and Mr Hilary Quah Lam Seng) and two long-standing executive directors (namely, Mr Ng Cheow Leng and Mr Si Yok Fong @ Chin Yok Fong) from the Board on 10 and 11 December 2017 respectively, raise issues about whether the interests of the Company and all shareholders and stakeholders will be served.

In the circumstances, we have decided to call for the removal of the December Board, and for their replacement by directors who can, in our view, better represent the interests of the Company and all shareholders and stakeholders.

A summary of the chronology of events and issues that have arisen is set out below.

### B. CHRONOLOGY OF EVENTS

#### The Property Transactions

1. On 13 July 2017, the Company applied to the Singapore Exchange ("**SGX**") for a waiver to seek prior shareholders' approval for the grant of an option (the "**TS Option**") to an independent third party for the sale of the Tai Seng Property for S\$53.5 million. On 21 July 2017, the waiver was granted by SGX.

2. 10 days later on 31 July 2017, the Company announced the grant of the TS Option on 26 July 2017 and the waiver by SGX. Completion of the sale of the Tai Seng Property was expected to be by 30 November 2017, with vacant possession to be delivered no later than 31 December 2017.
3. On 7 August 2017, the Company announced that it had, on 4 August 2017, been granted an option (the "TP Option") by an unrelated party to purchase an industrial property at Toa Payoh (the "Toa Payoh Property") valid up to 3 September 2017 for S\$10.5 million, subject to JTC granting approval for the sale and assignment to the Company of the unexpired terms of the lease and the use of the Toa Payoh Property for the manufacture of media storage products.
4. On 8 August 2017, the Company announced that the TS Option had been exercised by the purchaser.
5. On 4 September 2017, the Company announced that the TP Option had been extended to 18 September 2017.
6. On 12 September 2017, the Company issued a circular to convene an EGM on 28 September 2017 to seek shareholders' approval for the disposal of the Tai Seng Property. The EGM circular disclosed that the Tai Seng Property was currently used for the Group's manufacturing activities and that it was concurrently looking to relocate to a building which is more appropriate for its current manufacturing activities.
7. On 18 September 2017, the Company announced that it had exercised the TP Option.

#### EGM on 28 September 2017

8. On 28 September 2017, the Company held its EGM and obtained shareholders' approval for the disposal of the Tai Seng Property.

#### AGM on 9 November 2017

9. On 24 October 2017, the Company issued a notice to convene its AGM on 9 November 2017.
10. At the AGM held on 9 November 2017, all resolutions were duly passed, including the resolution to re-elect Mr Ng Cheow Chye, the Company's Deputy Chairman and CEO, and Mr Hilary Quah Lam Seng, an independent director, as directors.

#### Disposal of Mr Ng Cheow Chye's entire stake in the Company to Ms Ng Siew Hong

11. Based on the announcement made by the Company on 23 November 2017, on 10 November 2017, Mr Ng Cheow Chye, who is also a controlling shareholder of the Company holding 48,947,366 shares (about 22.343% of the total number of paid up shares of the Company), entered into a sale agreement to sell his entire stake *via* an off-market transaction, at a price of S\$0.55 per share, a 52.8% premium over the closing price of \$0.36 per share on 9 November 2017. Based on the Company's full-year financial statements for the financial year ended 31 July 2016, its net book value per share was 22.07 cents. The *pro forma* net tangible asset per share after the proposed disposal of the Tai Seng Property as disclosed in its circular to shareholders dated 12 September 2017 was 41.24 cents.
12. In accordance with his obligations under the Securities and Futures Act (Cap. 289) (the "SFA"), Mr Ng Cheow Chye disclosed his change of interest within 2 business days from the signing of

the agreement on 14 November 2017. A change of interest notification was submitted by Ms Ng Siew Hong on 23 November 2017, relating to her acquisition of a total of 63,531,705 shares in the Company (amounting to about **29%** of the total issued share capital of the Company) via an off-market transaction. Ms Ng Siew Hong's total interest in the Company was just below the 30% threshold required for a mandatory general offer.

13. On 25 November 2017, 15 days later after the sale agreement was entered into by Mr Ng Cheow Chye to sell his entire stake in the Company, it was announced by the Company that the purchaser of Mr Ng Cheow Chye's stake was Ms Ng Siew Hong.

#### *Termination of TP Option*

14. On 14 November 2017, approximately 1½ months after the EGM approving the disposal of the Tai Seng Property on 28 September 2017 and 5 days after the AGM on 9 November 2017, the Company announced that the TP Option had been terminated. For the first time, the Company disclosed that it had, on 4 and 22 September 2017, received letters from the National Environment Agency ("NEA"), rejecting its application for change of use for the Toa Payoh Property. The letters from the NEA were received before the EGM on 28 September 2017 and the AGM on 9 November 2017.
15. On 15 November 2017, the Company received a query from the SGX regarding the termination of the TP Option. The SGX's queries were as follows: (1) "What are the implications, including any financial implications, to the termination of the Option to purchase of the Toa Payoh property?" and (2) "In view that the option to sell the Company's existing property was exercised, how will your manufacturing activities be impacted and what are the Company's plans?"
16. On 18 November 2017, the former board of directors of the Company ("**Former Board**") (comprising Mr Ng Cheow Chye, Mr Ng Cheow Leng, Mr Si Yok Fong @ Chin Yok Fong, Mr Hee Theng Fong, Mr Guok Chin Huat Samuel and Mr Hilary Quah Lam Seng,) responded to SGX's two queries. The following is the Company's response to query (2): "The Management is currently considering ceasing its manufacturing activities and exploring other business and investment opportunities. The Company does not expect a material impact to the Company's financial position if it ceases the Company's manufacturing activities as that part of the business is currently loss-making. In the event that the Management decides to continue the Company's manufacturing activities and alternative premises cannot be secured prior to the completion of the proposed disposal, there will be some disruption to the Company's manufacturing activities. However, the financial and business implications will not be material."

#### *Ms Ng Siew Hong's intention to have Board representation*

17. In an announcement by the Company dated 25 November 2017, the Company noted that "[Mr Ng Cheow Chye] understands that [Ms Ng Siew Hong] would like to have board representation and expects that she will be communicating directly with the [Former] Board on this matter. On the issue of board control, the [Former] Board will have to await [Ms Ng Siew Hong's] proposal". It was also stated in the announcement that Mr Ng Cheow Chye clarified that he is not related to or personally acquainted with Ms Ng Siew Hong, and "does not have any background information of [Ms Ng Siew Hong] in terms of business activities".

#### *Ms Ng Siew Hong's notice on diversification of the Company's business*

18. In a letter dated 29 November 2017 to the Former Board, Ms Ng Siew Hong stated that "Given that the core business of the Company is no longer profitable and the Company will be ceasing

*its manufacturing business soon, it will be detrimental to shareholders if efforts are not made to diversify the core business of the Company. It would be in the interests of the Company and its shareholders to diversify the business of the Company to include multi-industry investments as part of the core business of the Company".*

19. The letter from Ms Ng Siew Hong dated 29 November 2017 was disclosed by the Company in an announcement dated 8 December 2017.

*Failure of Ms Ng Siew Hong to attend 8 December 2017 Board meeting of Former Board*

20. A Board meeting was held by the Former Board on Friday, 8 December 2017, from 3:30 pm to 7 pm, which Ms Ng Siew Hong was invited to attend; she did not do so. The Former Board thus did not have the opportunity to meet with Ms Ng Siew Hong to obtain further information on her business plans for the Company.

*Board changes*

21. On Sunday, 10 December 2017, all 3 independent directors, being Mr Hee Theng Fong, Chairman who had been on the Board since 1994, Mr Guok Chin Huat Samuel who had been on the Board since 2012, and Mr Hilary Quah Lam Seng who had been on the Board since 1999 and who stood for re-election at the AGM on 9 November 2017, resigned as directors of the Company, with the reason being stated as "*Change in controlling shareholder*".
22. On Monday, 11 December 2017, 2 out of the 3 executive directors of the Former Board, being Mr Ng Cheow Leng who had been on the Board since 1994, and Mr Si Yok Fong @ Chin Yok Fong who had been on the Board since 1994, also resigned as directors of the Company with the reason being stated "*Change in controlling shareholder and Board renewal*".
23. On the same day (i.e. 11 December 2017), the New Board was constituted with the appointment of the December Board comprising three independent directors and one executive director, Mr Kee Swee Ann, who was also appointed the CEO. The Audit Committee, Nominating Committee, and Remuneration Committee were accordingly reconstituted with various members of the December Board.
24. In an announcement dated 14 December 2017 (in response to an article by Professor Mak Yuen Teen dated 13 December 2017 published in the Business Times), it was disclosed (for the first time) that the December Board had been proposed by Ms Ng Siew Hong to the Former Board for consideration after she had become a controlling shareholder on 22 November 2017. In the prior announcements on 25 November, 8 and 11 December 2017 relating to Ms Ng Siew Hong and/or the appointment of the December Board, no mention was made of this, and it was unclear when Ms Ng Siew Hong wrote to or contacted the Former Board to make the nomination.
25. In an announcement dated 23 December 2017 (in response to an article by Professor Mak Yuen Teen dated 19 December 2017 published in the Business Times), it was further clarified that the three independent directors of the Former Board were not involved in the appointment of the new independent directors of the December Board, and that the latter were appointed by the then remaining directors of the Former Board. It is not clear who the remaining directors of the Former Board were, as two executive directors of the Former Board resigned the same day as the appointment of the new independent directors of the December Board took place. It was further stated that the original intention was for the appointment of the new independent directors to the December Board to be considered by the Former Board but such matter was not eventually

considered as Ms Ng Siew Hong did not attend the 8 December Board meeting to present her plans to the Former Board.

#### *Acquisition of Wayco by the Company*

26. On 12 December 2017, the New Board (comprised primarily of the December Board who had been appointed only *one day prior*) announced that it would be "*re-evaluating the feasibility of continuing the Group's manufacturing activities in view of certain recent developments*", including the sale of the Tai Seng Property, which may complete in January 2018 (but is uncertain) and the termination of the TP Option.
27. The New Board further announced that it had, on the same day (12 December 2017), entered into an agreement to acquire 100% of the issued share capital of Wayco, a Malaysian company for S\$3.5 million. Based on the management accounts of Wayco as at 30 June 2017, it has an unaudited net profit after tax of RM160,632 (equivalent to S\$53,201, assuming an exchange rate of RM1:S\$0.3312) for the six month period ended 30 June 2017 and an unaudited net tangible asset value of RM7,626,248 (equivalent to approximately S\$2,525,813 assuming an exchange rate of RM1:S\$0.3312).
28. This acquisition would cause the Company to enter into an entirely new business of manufacturing hair care, cosmetics and other homecare chemical products. It was also disclosed that one of the directors of the December Board and current CEO, Mr Kee Swee Ann, was formerly the General Manager of the vendor, Way Company Pte Ltd, from 2008 to 2010 and was part of the management team of Wayco.
29. 3 days later, on 15 December 2017, it was announced that the Company and the vendor of Wayco had entered into a Supplemental Agreement where the vendor had agreed that during the period of one year from the date of completion, if the Company reasonably ascertains that there are any material adverse events or matters affecting or relating to the assets, liabilities and/or business of Wayco which, if known to the Company as at the date of the SPA, would have reasonably affected the Company's decision to enter into the SPA, the Company shall have a right to require the vendor to buy back 100% of Wayco.
30. On the same day (i.e. 15 December 2017), the acquisition of Wayco was completed. This was announced 2 days later on 17 December 2017.
31. In an announcement dated 23 December 2017 (in response to an article by Professor Mak Yuen Teen dated 19 December 2017 published in the Business Times), the New Board stated that it would convene an EGM to seek shareholders' approval for a proposed diversification of the core businesses of the Company, and that shareholders would have the opportunity to raise matters concerning the business plans or direction of the Company to the New Board and management.

#### **C. ISSUES AND CONCERNS**

The chronology of events has given rise to several issues and concerns, some of which are summarised below:

1. The constitution of the December Board by the directors who were nominated by Ms Ng Siew Hong after she became a controlling shareholder of the Company.
  - a. The Company has announced that the assessment and appointment of the directors nominated by Ms Ng Siew Hong to the December Board was carried out by the Former



Board. No information is however provided as to *when* Ms Ng Siew Hong presented her nominees to the Former Board for assessment, *what information* she provided to the Former Board, if any, on the background of the directors comprised in the December Board and their suitability for appointment, and *what criteria* was applied in the assessment.

- b. The Former Board did not at any time release an announcement stating that Ms Ng Siew Hong had proposed these nominees to them, or that the Former Board was assessing their suitability – not even in the final announcement made by the Former Board on Friday 8 December 2017 before their resignation. This was also not mentioned in the announcements released on 10 and 11 December 2017 regarding the resignation of 5 out of 6 of the Former Board members and the appointment of the December Board.
  - c. Ms Ng Siew Hong was invited to attend the 8 December Board meeting by the Former Board to clarify her plans for the Company. She did not do so. By Monday (11 December 2017, 3 days later), 5 out of the 6 Former Board members, including all the independent directors, had resigned, and the December Board members, who had been put up for nomination by Ms Ng Siew Hong, were appointed to the Board. Given that Ms Ng Siew Hong did not attend the 8 December Board meeting, and there is no prior mention of her having attended / met the Former Board on any other occasion, it is not apparent how the nomination of the December Board members was put forward to the Former Board. It has been recently clarified that the independent directors of the Former Board did not approve the appointment of the independent directors of the December Board, but it remains unclear who from the Former Board had approved this.
  - d. While three of the December Board members (Mr Low Beng Tin, Mr Thomas Ng Der Sian, and Mr Rainer Teo Jia Kai) have been put forward as independent directors, the fact remains that they were nominated by Ms Ng Siew Hong, and it is unclear whether their independence has been properly assessed.
  - e. Mr Thomas Ng Der Sian and Mr Rainer Teo Jia Kai have since disclosed that they are "business acquaintances" of Ms Ng Siew Hong. Neither of them has any experience as a board member of a listed company, although their other business experience have been disclosed.
  - f. Mr Low Beng Tin was announced as being introduced to Ms Ng Siew Hong by a third party. Prior to his appointment as a director of the Company, Mr Low held 979,006 shares in the Company as at 9 October 2017; on the date of his appointment, Mr Low Beng Tin held 278,859 shares in the Company. Based on an announcement made by the Company on 23 December 2017, part of Mr Low's shares in the Company were sold to Ms Ng Siew Hong on 22 November 2017. According to the 23 December 2017 announcement, 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.
2. The completion of the acquisition of Wayco in just 3 days raises questions of whether the acquisition was properly assessed and considered by the December Board, which was appointed just one day before the signing of the share purchase agreement relating to the acquisition.
    - a. While Wayco is in the manufacturing business, the goods being manufactured are entirely different from the goods which the Company manufactures. Were any feasibility studies done to assess whether Wayco's business would be compatible with the Company's



businesses or whether this was an appropriate business for the Company to diversify into? Did the New Board carry out an independent valuation of Wayco (note that in an announcement dated 15 December 2017, it was disclosed that the valuation report was sourced by the Vendor of Wayco's shares) to determine the fairness of the purchase consideration? There was no explanation as to why the Company did not seek to undertake the valuation of Wayco's properties by its own appointed valuer. It is also unclear whether any due diligence was done on the acquisition, given the short timeframe in which the acquisition was completed – the December Board was appointed on **11 December 2017**, the acquisition of Wayco was made on **12 December 2017** via entry into a sale and purchase agreement on the same day, and which was completed on **15 December 2017**. This was a mere **1 day** and **4 days** respectively, after the appointment of the December Board on 11 December 2017. If the decision to acquire Wayco was made by the New Board which comprised primarily of the December Board, the December Board only had one day to familiarise themselves with the Company's business or strategy when they made the decision.

- b. In an announcement dated 15 December 2017, the New Board noted that it has taken the view that shareholders' approval is not necessary for the acquisition of Wayco, pursuant to the relevant rules under the Listing Manual; hence, it does not intend to seek shareholders' approval for the acquisition, although it *"will in due course be seeking Shareholders' approval for the proposed diversification of the Company's core businesses to include, inter alia, manufacturing of hair care, cosmetics and other homecare chemical products, which is the business that the Target Company is engaged in."* Obtaining approval for the diversification of the Company's core business **after** the acquisition of Wayco appears to undermine the purpose of seeking such approval in the first place.
- c. In the 15 December 2017 announcement, it was also disclosed that the Company paid S\$3.5 million for Wayco, which, based on Wayco's annualised profits of S\$106,404 (based on unaudited financial statements), represents a price-earnings ratio of approximately **32.9 times**. This raises questions on, amongst other things, whether the acquisition of Wayco, was properly considered and evaluated.

#### D. CVS OF PROPOSED NEW DIRECTORS

The CVs of the proposed new directors referred to in Ordinary Resolutions 5 to 8 are attached in Schedule 2 for shareholders' attention and information.

#### E. CONCLUSION

There are significant questions that have arisen since the appointment of the December Board which affect the interests of the Company and of all its shareholders and stakeholders, and we intend to further elaborate on these issues at the requisitioned EGM. In the meantime, shareholders should also consider the recent articles by Professor Mak Yuen Teen and Anita Gabriel which raise several important questions on the Company and the December Board (Professor Mak's articles were published in the Business Times on 8, 13, and 19 December 2017, and were reproduced on the website <http://governanceforstakeholders.com/>; Anita Gabriel's article was published in the Business Times on 12 December 2017).

## **SCHEDULE 2 – BRIEF CURRICULA VITAE OF PROPOSED DIRECTORS**

### **Ng Boon Yew**

Mr Ng is a Chartered Accountant who was in KPMG for 25 years. He became a Partner of the firm in 1984 until his retirement in 2000. He also served as KPMG's Chairman of the Professional Practice Committee, headed its Banking Practice and was the partner in charge of Corporate Finance Services.

Since Mr Ng's retirement, he has served as Adviser to the Singapore Technologies Group. He then came out of retirement to be the Group Chief Financial Officer of Singapore Technologies Pte Ltd from July 2002 to December 2004. He is currently Chairman of Raffles Campus Group.

Mr Ng was a member of the Corporate Finance Committee under the Financial Sector Review Group, chaired by then Deputy Prime Minister Lee Hsien Loong. He was also appointed Chairman of the Disclosure and Accounting Standards Committee, established by the Ministry of Finance, Monetary Authority of Singapore and the Attorney-General's Chamber.

Mr Ng was a member of the Council on Governance of Institutions of a Public Character (IPCs), which establishes rules and regulations for IPCs in Singapore. He served as a Board Member of the National Kidney Foundation (NKF) and Chairman of its Audit Committee; he also served as Chairman of its Finance Committee. He was reappointed to the Board of NKF on 1 July 2017 and currently also serves as Chairman of its Finance Committee. He was awarded the Public Service Star in the 2004 National Day Award.

Mr Ng holds various directorships in companies listed on the Stock Exchanges of Singapore and Taiwan, and serves on boards of numerous non-profit organisations, foundations, charities and public and statutory institutions. He was formerly an independent director of Datapulse Technology Limited from 3 September 2001 to 31 July 2013. He was Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee from 3 September 2001 to 5 January 2012, and subsequently from 6 January 2012 to 31 July 2013, he was the Chairman of the Audit Committee and member of the Nominating Committee and Remuneration Committee.

### **Loo Cheng Guan**

Mr Loo founded Vermilion Gate in 2014 and formally launched it in 2016 as an advisory firm to focus on cross-border M&As.

He has been non-executive Chairman of 1 Rockstead GIP Fund II Pte Ltd., a private equity fund approved by the Singapore Government under its Global Investors Programme, since 2013. He is also chairman of Precursor Group, a Singapore-based accounting firm and honorary director of Pantheon Assets, a leading multi-family office in China.

In addition, he sits on the boards of Valuetronics Holdings Ltd., a SGX-listed EMS company, as an independent director, and of several other private companies including Fortrec Chemicals & Petroleum Pte Ltd, Amalgam Capital Partners Pte Ltd and Brash Asia Pte Ltd.

Cheng Guan had previously sat on a number of listed companies in Singapore, China and Canada, including Advance SCT Ltd as independent director and Chairman, Audit Committee and MAP Technology Holdings Ltd as independent director, Grandblue Environment Holdings Ltd and Blackbird Energy Ltd both as non-executive director.

**Ng Bie Tjin @ Djuniarti Intan**

Ms Ng was with Datapulse Technology Limited for over 22 years and was the Finance Director from January 1994 to November 2014. Apart from overseeing the daily operations of the finance functions including accounting, finance, treasury and capital management, Ms Ng was responsible for administration and implementation of the Group's corporate finance strategies and policies, corporate governance and internal control policies and procedures, investor relations, and identification and evaluation of new business opportunities. She was the key person who pushed for the company to obtain a shareholders' mandate to diversify into property development.

Ms Ng was a director of Datapulse Technology Limited from 7 January 1994 to 30 November 2014, and during that time, was a member of the Nominating Committee.

She is also an independent director of Aspial Corporation Limited from 20 January 2014 and SunMoon Food Company Limited from 31 August 2017. She is also a director of Uniseraya Holdings Pte Ltd from January 2015.

Ms Ng holds a Masters in Business Administration from the University of Southern California.

**Koh Wee Seng**

Mr Koh is Aspial's Chief Executive Officer and Executive Director and is responsible for the strategic planning, overall management and business development of the Aspial Group.

Since late 1994, when the new management team, led by Mr Koh, took over the reins, Aspial Group has overcome the challenges posed by changing consumer demand by implementing wide-ranging and fundamental changes in its jewellery business. Mr Koh has also successfully led Aspial Group's diversification into the property business in Singapore, Australia and other countries and financial service business. Mr Koh is also the Non-executive Chairman of Maxi-Cash Financial Services Corporation Ltd, AF Global Limited and World Class Global Limited, which are listed on the SGX-ST.

Mr Koh holds a Bachelor's degree in Business Administration from the National University of Singapore.

## APPENDIX C – CORRESPONDENCES RELATING TO PROPOSED NEW DIRECTORS



Date: 10 January 2018

To: Uniseraya Holdings Pte Ltd

8 Temasek Boulevard  
#25-03 Suntec Tower 3  
Singapore 038988

Ng Bie Tjin @ Djuniarti Intan

8 Temasek Boulevard  
#25-03 Suntec Tower 3  
Singapore 038988

To the Directors of Uniseraya Holdings Pte Ltd and Ms. Ng Bie Tjin @ Djuniarti Intan,

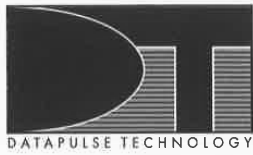
### REQUISITION NOTICE AND REQUEST FOR INFORMATION

We refer to your requisition notice dated 26 December 2017 (“**Requisition Notice**”) and your subsequent letter dated 27 December 2017, in relation to the appointment of your proposed directors, being Mr. Ng Boon Yew, Mr. Loo Cheng Guan, Ms. Ng Bie Tjin @ Djuniarti Intan and Mr. Koh Wee Seng (collectively, the “**Proposed Directors**”).

We wish to inform you that the Company will be convening two extraordinary general meetings (“**EGM**”) by 26 February 2018. As announced by the Company on 8 January 2018 (the “**Announcement**”), an EGM will be convened for Shareholders to consider the ordinary resolution relating to the proposed business diversification of the Company to expand the Company’s core business to the Proposed Consumer Business and Proposed Investment Business (as defined in the Announcement) and a second EGM will be for Shareholders to consider the ordinary resolutions relating to the Change of Board (as defined in the Announcement) as set out in the Requisition Notice. Please refer to the Announcement for more details of the EGMs.

In connection with the Requisition Notice, please provide the following documents/information to assist the current board of directors (“**Board**”) and the shareholders of the Company (“**Shareholders**”) in assessing and considering the candidatures of the Proposed Directors:

1. Information of the Proposed Directors as prescribed in Appendix 7.4.1 of the Listing Manual (including the proposed roles of each Proposed Director);
2. Consent forms to act as directors and statements of non-disqualification to act as directors (Form 45 of the Companies Act) from the Proposed Directors; and
3. Declaration of independence in respect of the Proposed Directors that are to be appointed as independent directors (taking into consideration Section 2.3 of the Code of Corporate Governance (“**Code**”)).



Kindly provide us with the abovementioned documents/information by 15 January 2018.

Thank you.

Yours faithfully,

For and on behalf of  
Datapulse Technology Limited  
Michael Lee Kam Seng  
Chief Financial Officer

Date: 15 January 2018

To: The Board of Directors  
Datapulse Technology Limited  
15A Tai Seng Drive  
Datapulse Industrial Building  
Singapore 535225

Dear Sirs

**DATAPULSE TECHNOLOGY LIMITED ("COMPANY")  
REQUISITION NOTICE DATED 26 DECEMBER 2017 ("REQUISITION NOTICE")**

1. We refer to your letter dated 10 January 2018, requesting for information relating to the Proposed Directors (as defined in your letter).
2. On behalf of the Proposed Directors, the requested information is attached.
3. Please let us know as soon as possible if the requested information is sufficient, or if any further information is required. Even if further information is required, we trust that the Board will not use that to delay the EGM to be convened by the Board pursuant to the Requisition Notice, given that (1) the request for information could have been made earlier but was not, and we were only given 3 working days to respond, and (2) the notice of EGM can be released independently of any such information.
4. All our rights are reserved.



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Signed for and on behalf of  
**UNISERAYA HOLDINGS PTE LTD**



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**NG BIE TJIN @ DJUNIARTI INTAN**

## Appendix 7.4.1 – INTAN

### APPENDIX 7.4.1

#### ANNOUNCEMENT OF APPOINTMENT

*Cross-referenced from Rule 704(7)*

##### Date of Appointment

Name of person: Ng Bie Tjin @ Djuniarti Intan

Age 51

Country of principal residence: Singapore

The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)

Whether appointment is executive, and if so, the area of responsibility

##### Executive Director

Working experience and occupation(s) during the past 10 years

Ms Ng was with Datapulse Technology Limited for over 22 years and was the Finance Director from January 1994 to November 2014. Apart from overseeing the daily operations of the finance functions including accounting, finance, treasury and capital management, Ms Ng was responsible for administration and implementation of the Group's corporate finance strategies and policies, corporate governance and internal control policies and procedures, investor relations, and identification and evaluation of new business opportunities. She was the key person who pushed for the company to obtain a shareholders' mandate to diversify into property development.

Ms Ng was a director of Datapulse Technology Limited from 7 January 1994 to 30 November 2014, and during that time, was a member of the Nominating Committee.

She is also an independent director of Aspial Corporation Limited from 20 January 2014 and SunMoon Food Company Limited from 31 August 2017. She is also a director of Uniseraya Holdings Pte Ltd from January 2015.



- (a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?
- (b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?
- (c) Whether there is any unsatisfied judgment against him?
- (d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?
- (e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?
- (f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?
- (g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?

☐ Yes ☒ No

☐ Yes ☒ No

☐ Yes ☒ No

☐ Yes ☒ No

☐ Yes ☒ No

☐ Yes ☒ No

☐ Yes ☒ No

*[Signature]*

(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?

☐ Yes ☒ No

(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?

☐ Yes ☒ No

(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-

(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or

☐ Yes ☒ No

(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or

☐ Yes ☒ No

(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

☐ Yes ☒ No

(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,

☐ Yes ☒ No

in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?

(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?

☐ Yes ☒ No

#### Information required

#### Disclosure applicable to the appointment of Director only.

Any prior experience as a director of a listed company?

☒ Yes ☐ No

If yes, please provide details of prior experience.

DATAPULSE TECHNOLOGY LIMITED

ASPIAL CORPORATION LIMITED

SUNMOON FOOD COMPANY LIMITED

*[Signature]*

If no, please provide details of any training undertaken in the roles and responsibilities of a director of a listed company.

A handwritten signature in black ink, appearing to read "Spina", is written on the right side of the page.

FORM 45—  
INTAN

FORM  
45

THE COMPANIES ACT  
(CHAPTER 50)  
SECTION 173(2)(a)

CONSENT TO ACT AS DIRECTOR  
AND STATEMENT OF NON  
DISQUALIFICATION TO ACT AS  
DIRECTOR

**Name of Company: Datapulse Technology Limited**

**Company No: 198002677D**

I, the undermentioned person, hereby consent to act as a director of the abovenamed company with effect from..... and declare that:

(a) I am not disqualified from acting as a director, in that:

- (i) I am not below 18 years of age and that I am of full capacity.
- (ii) Within a period of 3 years preceding the date of this statement I have not had any disqualification order made by the High Court of Singapore against me under section 149A(1) of the Companies Act ("the Act").
- (iii) Within a period of 5 years preceding the date of this statement I have not had any disqualification order made by the High Court of Singapore against me under section 149(1) or 154(2) of the Act.
- \*(iv) That within a period of 5 years preceding 12th November 1993 I have not been convicted whether within or without Singapore, of any offence —
  - (A) in connection with the promotion, formation or management of a corporation;
  - (B) involving fraud or dishonesty punishable on conviction with imprisonment for 3 months or more; or
  - (C) under section 157 (failure to act honestly and diligently as a director or making improper use of company information for gain) or under section 339 (failure to keep proper company accounts books) of the Act.
- \*(v) That within a period of 5 years preceding the date of this statement I have not been convicted, in Singapore or elsewhere, of any offence involving fraud or dishonesty punishable on conviction with imprisonment for 3 months or more.

(vi) That —

- (A) I have not been convicted of 3 or more offences under the Act in relation to the requirements on the filing of returns, accounts or other documents with the Registrar of Companies and have not had 3 or more orders of the High Court of Singapore made against me under section 13 or 399 of the Act in relation to such requirements;
- (B) the last of any such conviction did not take place or the last of any such order was not made during the period of 5 years preceding the date of this statement; and
- (C) I am not an undischarged bankrupt under section 148(1) of the Act.

(vii) By virtue of the foregoing I am not disqualified from acting as a director of the abovenamed company.

(b) I am aware of and undertake to abide by my duties, responsibilities and liabilities specified in the Act as well as under the common law where applicable, including the following key administrative and substantive duties, that is, to:

- (i) discharge my responsibilities in the company;
- (ii) ensure that I have a reasonable degree of skill and knowledge to handle the affairs of the company;
- (iii) act honestly and be reasonably diligent in discharging my duties and act in the interest of the company without putting myself in a position of conflict of interest;

- (iv) employ the powers and assets that I am entrusted with for the proper purposes of the company and not for any collateral purpose;
- (v) ensure that the company and I comply with all the requirements and obligations under the Act including those in respect of meetings, requisitions, resolutions, accounts, reports, statements, records and other documents on the company, filing and notices and any other prerequisites; and
- (vi) account to the shareholders for my conduct of the affairs of the company and make such disclosures that are incumbent upon me under the Act.

(c) That —

\*(i) I have read and understood the above statements; or

\*(ii) the above statements were interpreted to me in

.....  
(state language/dialect)

by .....

.....  
(state name)

NRIC NO: .....

before I executed this form and I confirm that the statements are true. I am also aware that I can be prosecuted in Court if I willfully give any information on this form which is false.

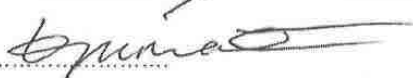
Name: **Ng Bie Tjin @ Djuniarti Intan**

Address: 8 Temasek Boulevard #25-03 Suntec Tower Three Singapore 038988

Passport / IC No **S2191267J**

Nationality: **Singaporean**

Signature: .....



Dated this 12 day of January 2018

\*Delete where inapplicable.

Independence — Intan.

## DIRECTOR'S INDEPENDENCE DECLARATION FORM

Company Name	Datapulse Technology Ltd (the "Company")
Date	12 JANUARY 2018
Name of director	NG BIE TJINE@DJUNIARTI INTAN

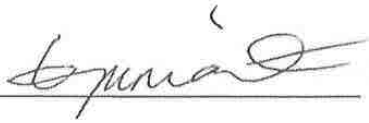
I hereby confirm the following:

1. That I ~~am~~ am not employed by the Company or any of its related corporations, and I ~~have~~ have not been employed by the Company or any of its related corporations for the current or any of the past three financial years.
2. That I ~~have~~ do not have an immediate family member<sup>1</sup> who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the Company's Remuneration Committee.
3. That I, and my immediate family member(s)<sup>1</sup>, ~~has/have accepted~~ / has/have not accepted any significant compensation from the Company or any of its related corporations for the provision of services, for the current or immediate past financial year, other than compensation for board service.
4. That I, in the current or immediate past financial year, ~~am or was~~ am or was not, and my immediate family member(s)<sup>1</sup>, in the current or immediate past financial year, ~~are or were~~ are or were not,
  - (i) a 10% shareholder of or a partner in (with 10% or more stake); or
  - (ii) an executive officer of, or a director of,

any organisation to which the Company or any of its subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or material services (which may include auditing, banking, consulting and legal services), in the current or immediate past financial year. (Payments<sup>2</sup> aggregated over any financial year in excess of S\$200,000 shall be deemed to be significant.)
5. I, and my immediate family member(s)<sup>1</sup>, ~~am/are~~ / ~~am/are not~~ a 10% shareholder of the Company. UNISERAYA HOLDINGS PTE LTD.
6. I ~~am or have been~~ / ~~am not or have not been~~ directly associated<sup>3</sup> with a 10% shareholder of the Company in the current or immediate past financial year. UNISERAYA HOLDINGS
7. I ~~have~~ / ~~do not have~~ a relationship with the Company, its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with my exercise of independent business judgement with a view to the best interests of the Company.

In view of the foregoing, I am to be considered an ~~\*independent~~/non-independent Director of the Company, as contemplated by the Code of Corporate Governance.

Signed: \_\_\_\_\_



Date: \_\_\_\_\_

12 JANUARY 2018

*\* Delete where inapplicable*

1. Immediate family member means the person's spouse, child, adopted child, step-child, brother, sister or parent.
2. ~~Payments for transactions involving standard services with published rates or routine and retail transactions and relationships (for instance credit card or bank or brokerage or mortgage or insurance accounts or transactions) will not be taken into account, unless special or favourable treatment is accorded.~~
- 3 A director will be considered "directly associated" with a 10% shareholder when the director is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the 10% shareholder in relation to the corporate affairs of the company. A director will not be considered "directly associated" with a 10% shareholder by reason only of his or her appointment having been proposed by that 10% shareholder.



#### APPENDIX 7.4.1

#### ANNOUNCEMENT OF APPOINTMENT

*Cross-referenced from Rule 704(7)*

##### Date of Appointment

Name of person **KOH WEE SENG**

Age **49**

Country of principal residence **SINGAPORE**

The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)

Whether appointment is executive, and if so, the area of responsibility

Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)

Working experience and occupation(s) during the past 10 years **CEO, Aspiat Corporation Ltd**

Shareholding interest in the listed issuer and its subsidiaries **: NIL (as at 12/11/18)**

Familial relationship with any director and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries **: N.A.**

Conflict of interest (including any competing business)

Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer



##### **Other Directorships\***

# These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)

Past (for the last 5 years) **: Refer to Appendix 1**  
Present

##### **Information required**

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

- (a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

- (b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

- (c) Whether there is any unsatisfied judgment against him?

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

- (d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

- (e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

- (f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

- (g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?

☐ Yes☒ No

(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?

☐ Yes☒ No

(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-

(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or

☐ Yes☒ No

(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or

☐ Yes☒ No

(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

☐ Yes☒ No

(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,

☐ Yes☒ No

in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?

(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?

☒ Yes☐ No

**Information required :** Pls refer to attached 2

**Disclosure applicable to the appointment of Director only.**

Any prior experience as a director of a listed company?

☐ Yes☒ No

If yes, please provide details of prior experience.

Director of : ① Aspiat Corporation Ltd  
② Alapi - Cash Fin Services Corporation  
③ World Class Global  
④ AF Global

If no, please provide details of any training undertaken in the roles and responsibilities of a director of a listed company.

App 1

As at 2 June 17

## APPENDIX D – LIST OF PRESENT AND PAST DIRECTORSHIPS

The list of present and past directorships held by each of our Directors and Executive Officers in the last five years preceding the date of this Offer Document are set out below:

### Our Directors

	Present Directorships	Past Directorships
Mr. Koh Wee Seng	<u>Group Companies</u> Dynamic Ideas Pty Ltd Dynamic PMS (M) Sdn. Bhd. WCL (CNS) CBD Pty Ltd WCL (Bertam L) Sdn. Bhd. WCL (Bertam R) Sdn. Bhd. WCL (Macallum) Sdn. Bhd. WCL (Magazine) Sdn. Bhd. WCL (Noordin St) Sdn. Bhd. WCL (QLD) Albert St Pty Ltd WCL (QLD) Holdings Pty Ltd WCL (QLD) Margaret St Pty Ltd WCL-A Beckett (VIC) Pty Ltd WCL-Cairns (QLD) Pty Ltd WCL-Central Park (QLD) Pty Ltd WCL-King (VIC) Pty Ltd WCL-Southbank (VIC) Pty Ltd World Class Land (Georgetown) Holdings Sdn. Bhd. World Class Global Limited World Class Land (Australia) Pty Ltd World Class Land (Georgetown) Sdn. Bhd. World Class Land (Malaysia) Sdn. Bhd. World Class Land (Penang) Sdn. Bhd.	<u>Group Companies</u>
	<u>Other Companies</u> 8G Investment Australia Pty. Ltd. 8G Investment Pte. Ltd.  Advance Property Pte. Ltd.  AF Corporation Pte. Ltd. AF Global (Phuket) Limited AF Global (Thailand) Limited AF Global Investment Holding Pte. Ltd. AF Global Limited AF Phuket Hotels Pte. Ltd. AF Rawai Hotels Pte. Ltd. Aspial-Lee Hwa Jewellery Pte. Ltd.	<u>Other Companies</u> L & N Jewellery Pte. Ltd. (struck off) World Class Capital (LN) Pte. Ltd. (dissolved - members' voluntary winding up) World Class Property (North) Pte. Ltd. (dissolved - members' voluntary winding up) Bayfront Land Pte. Ltd. (struck off)

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## APPENDIX D – LIST OF PRESENT AND PAST DIRECTORSHIPS

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### Present Directorships

### Past Directorships

Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.  
 Aspial Capital (Birmingham) Pte. Ltd.  
 Aspial Capital (Ubi) Pte. Ltd.  
 Aspial Corporation Limited  
 Aspial International Pte. Ltd.  
 Aspial Investment Holding Pte. Ltd.  
 Aspial Treasury Pte. Ltd.  
 Band of Brothers Pte. Ltd.  
 Bayfront Realty Pte. Ltd.  
 Bayfront Ventures Pte. Ltd.  
 Belgium-Singapore Diamond Corporation Pte. Ltd.  
 Bon (38) Investment Pte. Ltd.  
 Bon 88 Investment Pte. Ltd.  
 BU2 Services Pte. Ltd.  
 Cheong Hock Chye & Co. (Pte.) Ltd.  
 Citigems Pte. Ltd.  
 Cityview Property Investment & Trading Limited  
 Corpus Five Sdn. Bhd.  
 Draycott Garden Pte. Ltd.  
 Dynamic Project Management Services Pte. Ltd.  
 Eight G Capital (Malaysia) Sdn Bhd  
 Eight G Capital (Penang) Sdn Bhd  
 Eight G Capital (Ropewalk) Sdn Bhd  
 Gateway Enterprise Company Limited  
 Gold N Gems Pte. Ltd.  
 Gold Purple Pte Ltd  
 Goldheart Jewelry Pte. Ltd.  
 Headway Construction Pte. Ltd.  
 Hillgate Investment Pte. Ltd.  
 HIRP (Thailand) Limited  
 Kensington Land Pte. Ltd.  
 Kensington Village Pte. Ltd.  
 Knight Frank Pte. Ltd.  
 Knight Frank Asia Pacific Pte Ltd  
 L.C. (London) Ltd  
 L.C. Hotels Pte. Ltd.  
 L.C. Logistics Pte. Ltd.  
 LCD (Indochina) Pte. Ltd.  
 LCD (Vietnam) Pte. Ltd.  
 LCD Management Sdn. Bhd.  
 LCD Property Management Pte. Ltd.  
 LCD Property Pte. Ltd.  
 Maxi-Cash (Central 2) Pte. Ltd.  
 Maxi-Cash (Central) Pte. Ltd.  
 Maxi-Cash (Clementi) Pte. Ltd.  
 Maxi-Cash (East2) Pte. Ltd.  
 Maxi-Cash (East) Pte. Ltd.

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## APPENDIX D – LIST OF PRESENT AND PAST DIRECTORSHIPS

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### Present Directorships

### Past Directorships

Maxi-Cash (North East 2) Pte. Ltd.  
 Maxi-Cash (North East) Pte. Ltd.  
 Maxi-Cash (North) Pte. Ltd.  
 Maxi-Cash (West) Pte. Ltd.  
 Maxi-Cash Assets Pte. Ltd.  
 Maxi-Cash Capital Management  
 Pte. Ltd.  
 Maxi-Cash Capital Pte. Ltd.  
 Maxi-Cash Financial Services  
 Corporation Ltd.  
 Maxi-Cash Group Pte. Ltd.  
 Maxi-Cash Investment Holding  
 Pte. Ltd.  
 Maxi-Cash Jewellery Group Pte. Ltd.  
 Maxi-Cash Property Pte. Ltd.  
 Maxi-Cash Ventures Pte. Ltd.  
 MLHS Holdings Pte. Ltd.  
 Phuket Island Property Fund  
 Rawai (38) Investment Pte. Ltd.  
 Rawai 88 Investment Pte. Ltd.  
 RP (Thailand) Limited  
 World Class Capital Pte. Ltd.  
 (in liquidation – members' voluntary  
 winding up)  
 World Class Developments (Bedok)  
 Pte. Ltd.  
 World Class Developments (Central)  
 Pte. Ltd.  
 World Class Developments  
 (City Central) Pte. Ltd.  
 World Class Developments (North)  
 Pte. Ltd.  
 World Class Developments Pte. Ltd.  
 World Class Investments Pte. Ltd.  
 World Class Land Pte. Ltd.  
 World Class Property (Central)  
 Pte. Ltd. (in liquidation – members'  
 voluntary winding up)  
 World Class Property (Dunearn)  
 Pte. Ltd. (in liquidation – members'  
 voluntary winding up)  
 World Class Property (Eastcoast)  
 Pte. Ltd. (in liquidation – members'  
 voluntary winding up)  
 World Class Property (Telok Kurau)  
 Pte. Ltd.  
 World Class Property Pte. Ltd.  
 World Financial Property Pte. Ltd.  
 Xuzhou RE Sales Co., Ltd.  
 Xuzhou YinJian LumChang Real  
 Estate Development Co., Ltd.  
 Zone X Leisure Pte. Ltd.



App2

**Disclosure relating to our Non-Executive Chairman, Mr. Koh Wee Seng**

Our Non-Executive Chairman, Mr. Koh Wee Seng, was investigated by the Commercial Affairs Department ("CAD") from December 2009 to January 2011 for possible infringement(s) under Section 218 of the SFA in relation to purchases of shares in Aspiat. As stated in Aspiat's announcement released on 7 January 2011, the CAD has informed Mr. Koh Wee Seng that they have concluded the investigation and no action would be taken.

THE COMPANIES ACT  
(CHAPTER 50)  
SECTION 173(2)(a)

CONSENT TO ACT AS DIRECTOR  
AND STATEMENT OF NON  
DISQUALIFICATION TO ACT AS  
DIRECTOR

Name of Company: Datapulse Technology Limited

Company No: 198002677D

I, the undermentioned person, hereby consent to act as a director of the abovenamed company with effect from..... and declare that:

(a) I am not disqualified from acting as a director, in that:

- (i) I am not below 18 years of age and that I am of full capacity.
- (ii) Within a period of 3 years preceding the date of this statement I have not had any disqualification order made by the High Court of Singapore against me under section 149A(1) of the Companies Act ("the Act").
- (iii) Within a period of 5 years preceding the date of this statement I have not had any disqualification order made by the High Court of Singapore against me under section 149(1) or 154(2) of the Act.

\*(iv) That within a period of 5 years preceding 12th November 1993 I have not been convicted whether within or without Singapore, of any offence —

- (A) in connection with the promotion, formation or management of a corporation;
- (B) involving fraud or dishonesty punishable on conviction with imprisonment for 3 months or more; or
- (C) under section 157 (failure to act honestly and diligently as a director or making improper use of company information for gain) or under section 339 (failure to keep proper company accounts books) of the Act.

\*(v) That within a period of 5 years preceding the date of this statement I have not been convicted, in Singapore or elsewhere, of any offence involving fraud or dishonesty punishable on conviction with imprisonment for 3 months or more.

(vi) That —

- (A) I have not been convicted of 3 or more offences under the Act in relation to the requirements on the filing of returns, accounts or other documents with the Registrar of Companies and have not had 3 or more orders of the High Court of Singapore made against me under section 13 or 399 of the Act in relation to such requirements;
- (B) the last of any such conviction did not take place or the last of any such order was not made during the period of 5 years preceding the date of this statement; and
- (C) I am not an undischarged bankrupt under section 148(1) of the Act.

(vii) By virtue of the foregoing I am not disqualified from acting as a director of the abovenamed company.

(b) I am aware of and undertake to abide by my duties, responsibilities and liabilities specified in the Act as well as under the common law where applicable, including the following key administrative and substantive duties, that is, to:

- (i) discharge my responsibilities in the company;
- (ii) ensure that I have a reasonable degree of skill and knowledge to handle the affairs of the company;
- (iii) act honestly and be reasonably diligent in discharging my duties and act in the interest of the company without putting myself in a position of conflict of interest;

- (iv) employ the powers and assets that I am entrusted with for the proper purposes of the company and not for any collateral purpose;
- (v) ensure that the company and I comply with all the requirements and obligations under the Act including those in respect of meetings, requisitions, resolutions, accounts, reports, statements, records and other documents on the company, filing and notices and any other prerequisites; and
- (vi) account to the shareholders for my conduct of the affairs of the company and make such disclosures that are incumbent upon me under the Act.

(c) That —

- \* (i) I have read and understood the above statements; or
- \* (ii) ~~the above statements were interpreted to me in~~

.....  
(state language/dialect)

by.....  
(state name)

NRIC NO:.....

before I executed this form and I confirm that the statements are true. I am also aware that I can be prosecuted in Court if I willfully give any information on this form which is false.

Name: KOH WEE SENG

Address: 10 St Helier's Ave

Passport / IC No S6834637F

Nationality: SINGAPOREAN

Signature: 

Dated this 12 day of Jan 2018  
\*Delete where inapplicable.

## DIRECTOR'S INDEPENDENCE DECLARATION FORM

Company Name	Datapulse Technology Ltd (the "Company")
Date	12/1/18
Name of director	ICOM WEE SENG

I hereby confirm the following:

1. That I ~~\*am~~ / am not employed by the Company or any of its related corporations, and I ~~\*have~~ / have not been employed by the Company or any of its related corporations for the current or any of the past three financial years.
2. That I ~~\*have~~ / do not have an immediate family member<sup>1</sup> who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the Company's Remuneration Committee.
3. That I, and my immediate family member(s)<sup>1</sup>, ~~\*has/have accepted~~ / ~~has~~ / have not accepted any significant compensation from the Company or any of its related corporations for the provision of services, for the current or immediate past financial year, other than compensation for board service.
4. That I, in the current or immediate past financial year, ~~\*am or was~~ / am or was not, and my immediate family member(s)<sup>1</sup>, in the current or immediate past financial year, ~~\*are or were~~ / are or were not,

- (i) a 10% shareholder of or a partner in (with 10% or more stake); or
- (ii) an executive officer of, or a director of,

any organisation to which the Company or any of its subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or material services (which may include auditing, banking, consulting and legal services), in the current or immediate past financial year. (Payments<sup>2</sup> aggregated over any financial year in excess of S\$200,000 shall be deemed to be significant.)

5. I, and my immediate family member(s)<sup>1</sup>, ~~\*am/are~~ / am/are not a 10% shareholder of the Company.
6. I ~~\*am or have been~~ / am not or have not been directly associated<sup>3</sup> with a 10% shareholder of the Company in the current or immediate past financial year.
7. I ~~\*have~~ / do not have a relationship with the Company, its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with my exercise of independent business judgement with a view to the best interests of the Company.

In view of the foregoing, I am to be considered an ~~\*independent/non-independent~~ Director of the Company, as contemplated by the Code of Corporate Governance.

Signed:                     *AWL*                    

Date:                     12/1/18                    

*\* Delete where inapplicable*

1. Immediate family member means the person's spouse, child, adopted child, step-child, brother, sister or parent.
2. Payments for transactions involving standard services with published rates or routine and retail transactions and relationships (for instance credit card or bank or brokerage or mortgage or insurance accounts or transactions) will not be taken into account, unless special or favourable treatment is accorded.
- 3 A director will be considered "directly associated" with a 10% shareholder when the director is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the 10% shareholder in relation to the corporate affairs of the company. A director will not be considered "directly associated" with a 10% shareholder by reason only of his or her appointment having been proposed by that 10% shareholder.

#### APPENDIX 7.4.1

#### ANNOUNCEMENT OF APPOINTMENT

*Cross-referenced from Rule 704(7)*

Date of Appointment

Name of person: NG BOON YEW

Age: 63 YEARS

Country of principal residence: SINGAPORE

The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)

Whether appointment is executive, and if so, the area of responsibility

Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)

Working experience and occupation(s) during the past 10 years:  
EXECUTIVE CHAIRMAN OF RAFFLES CAMPUS GROUP

Shareholding interest in the listed issuer and its subsidiaries:  
333 SHARES HELD BY WIFE

Familial relationship with any director and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries

Conflict of interest (including any competing business)

Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer

<input checked="checked" type="radio"/> Yes	<input type="radio"/> No
---	--------------------------

#### Other Directorships<sup>#</sup>

<sup>#</sup> These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)

Past (for the last 5 years)

DATAPULSE TECHNOLOGY LIMITED (Ceased 31/7/2013)

FISCHER TECH LTD (Ceased 7/11/2017)

Present

NONE

#### Information required

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

- (a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner? ☐ Yes ☒ No
- (b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency? ☐ Yes ☒ No
- (c) Whether there is any unsatisfied judgment against him? ☐ Yes ☒ No
- (d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose? ☐ Yes ☒ No
- (e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach? ☐ Yes ☒ No
- (f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part? ☐ Yes ☒ No
- (g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust? ☐ Yes ☒ No



(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-

(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?

(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

### Information required

#### Disclosure applicable to the appointment of Director only.

Any prior experience as a director of a listed company?

<input checked="" type="radio"/> Yes	<input type="radio"/> No
--------------------------------------	--------------------------

If yes, please provide details of prior experience.

**Overseas Union Bank Ltd**

**United Overseas Bank Ltd**

**RSH Limited**

**Datapulse Technology Ltd**

**Fischer Tech Ltd**

THE COMPANIES ACT  
(CHAPTER 50)  
SECTION 173(2)(a)

CONSENT TO ACT AS DIRECTOR  
AND STATEMENT OF NON  
DISQUALIFICATION TO ACT AS  
DIRECTOR

Name of Company: DATAPULSE TECHNOLOGY LIMITED

Company No: 198002677D

I, the undermentioned person, hereby consent to act as a director of the abovenamed company with effect from..... and declare that:

(a) I am not disqualified from acting as a director, in that:

- (i) I am not below 18 years of age and that I am of full capacity.
- (ii) Within a period of 3 years preceding the date of this statement I have not had any disqualification order made by the High Court of Singapore against me under section 149A(1) of the Companies Act ("the Act").
- (iii) Within a period of 5 years preceding the date of this statement I have not had any disqualification order made by the High Court of Singapore against me under section 149(1) or 154(2) of the Act.
- \* (iv) That within a period of 5 years preceding 12th November 1993 I have not been convicted whether within or without Singapore, of any offence —
  - (A) in connection with the promotion, formation or management of a corporation;
  - (B) involving fraud or dishonesty punishable on conviction with imprisonment for 3 months or more; or
  - (C) under section 157 (failure to act honestly and diligently as a director or making improper use of company information for gain) or under section 339 (failure to keep proper company accounts books) of the Act.
- \* (v) That within a period of 5 years preceding the date of this statement I have not been convicted, in Singapore or elsewhere, of any offence involving fraud or dishonesty punishable on conviction with imprisonment for 3 months or more.
- (vi) That —
  - (A) I have not been convicted of 3 or more offences under the Act in relation to the requirements on the filing of returns, accounts or other documents with the Registrar of Companies and have not had 3 or more orders of the High Court of Singapore made against me under section 13 or 399 of the Act in relation to such requirements;
  - (B) the last of any such conviction did not take place or the last of any such order was not made during the period of 5 years preceding the date of this statement; and
  - (C) I am not an undischarged bankrupt under section 148(1) of the Act.
- (vii) By virtue of the foregoing I am not disqualified from acting as a director of the abovenamed company.

(b) I am aware of and undertake to abide by my duties, responsibilities and liabilities specified in the Act as well as under the common law where applicable, including the following key administrative and substantive duties, that is, to:

- (i) discharge my responsibilities in the company;
- (ii) ensure that I have a reasonable degree of skill and knowledge to handle the affairs of the company;
- (iii) act honestly and be reasonably diligent in discharging my duties and act in the interest of the company without putting myself in a position of conflict of interest;

- (iv) employ the powers and assets that I am entrusted with for the proper purposes of the company and not for any collateral purpose;
- (v) ensure that the company and I comply with all the requirements and obligations under the Act including those in respect of meetings, requisitions, resolutions, accounts, reports, statements, records and other documents on the company, filing and notices and any other prerequisites; and
- (vi) account to the shareholders for my conduct of the affairs of the company and make such disclosures that are incumbent upon me under the Act.

(c) That —

\* (i) I have read and understood the above statements; or

\* (ii) the above statements were interpreted to me in

(state language/dialect)

by

(state name)

NRIC NO:

before I executed this form and I confirm that the statements are true. I am also aware that I can be prosecuted in Court if I willfully give any information on this form which is false.

Name: NG BOON YEW

Address: 24 FERNHILL CRESCENT, SINGAPORE 259178

Passport / IC No: S0108514Z

Nationality: SINGAPORE

Signature:



Dated this 12TH day of JANUARY 2018

\*Delete where inapplicable.

## DIRECTOR'S INDEPENDENCE DECLARATION FORM


Company Name	Datapulse Technology Ltd (the "Company")
Date	12 January 2018
Name of director	Ng Boon Yew

I hereby confirm the following:

1. That I ~~\*am~~ / am not employed by the Company or any of its related corporations, and I ~~\*have~~ / have not been employed by the Company or any of its related corporations for the current or any of the past three financial years.
2. That I ~~\*have~~ / do not have an immediate family member<sup>1</sup> who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the Company's Remuneration Committee.
3. That I, and my immediate family member(s)<sup>1</sup>, ~~\*has/have accepted / has~~ / have not accepted any significant compensation from the Company or any of its related corporations for the provision of services, for the current or immediate past financial year, other than compensation for board service.
4. That I, in the current or immediate past financial year, ~~\*am or was~~ / am or was not, and my immediate family member(s)<sup>1</sup>, in the current or immediate past financial year, ~~\*are or were~~ / are or were not,
  - (i) a 10% shareholder of or a partner in (with 10% or more stake); or
  - (ii) an executive officer of, or a director of,

any organisation to which the Company or any of its subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or material services (which may include auditing, banking, consulting and legal services), in the current or immediate past financial year. (Payments<sup>2</sup> aggregated over any financial year in excess of S\$200,000 shall be deemed to be significant.)
5. I, and my immediate family member(s)<sup>1</sup>, ~~\*am/are~~ / am/are not a 10% shareholder of the Company.
6. I ~~\*am or have been~~ / am not or have not been directly associated<sup>3</sup> with a 10% shareholder of the Company in the current or immediate past financial year.
7. I ~~\*have~~ / do not have a relationship with the Company, its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with my exercise of independent business judgement with a view to the best interests of the Company.

In view of the foregoing, I am to be considered an ~~\*independent/non-independent~~ Director of the Company, as contemplated by the Code of Corporate Governance.

Signed: 

Date: 12/01/2018

*\* Delete where inapplicable*

- <sup>1</sup> Immediate family member means the person's spouse, child, adopted child, step-child, brother, sister or parent.
- <sup>2</sup> Payments for transactions involving standard services with published rates or routine and retail transactions and relationships (for instance credit card or bank or brokerage or mortgage or insurance accounts or transactions) will not be taken into account, unless special or favourable treatment is accorded.
- <sup>3</sup> A director will be considered "directly associated" with a 10% shareholder when the director is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the 10% shareholder in relation to the corporate affairs of the company. A director will not be considered "directly associated" with a 10% shareholder by reason only of his or her appointment having been proposed by that 10% shareholder.

## APPENDIX 7.4.1

### ANNOUNCEMENT OF APPOINTMENT

*Cross-referenced from Rule 704(7)*

Date of Appointment

Name of person Loo Cheng Guan

Age 54

Country of principal residence 10 Jalan Batu #02-02 Singapore 431010

The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)

Whether appointment is executive, and if so, the area of responsibility

Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)

Working experience and occupation(s) during the past 10 years

Mr Loo Cheng Guan is currently Managing Director of Vermilion Gate Pte Ltd, an M&A advisory firm. Prior to that, he was Executive Director and Group Deputy CEO of C&G Environmental Protection Holdings Ltd from 2011 to 2015, and sits on various boards including the board of Rockstead GIP Fund II as non-executive Chairman.

Mr Loo has more than two decades of corporate finance, private equity and business experience, having spent his entire career advising on mergers and acquisitions, corporate finance and private equity. Mr Loo was CEO of F&H Fund Management Pte Ltd from Aug 2010 to May 2011, where he was responsible for overall investment strategy and management. His professional experience also includes being the Managing Director of Tembusu Partners Pte Ltd from Oct 2008 to Mar 2010, where he oversaw the management of the funds; being the Founding Managing Partner of Blue Ocean Capital Partners Pte Ltd from Nov 2005 to Oct 2009, where he advised clients on cross-border M&A; holding the Senior Vice President position at Mitsubishi Securities (Singapore) Ltd from July 2003 to Nov 2005, where he advised clients on matters of corporate finance and M&A; holding the Principal position at Advent International from 1999 to 2003, where he focused on late-stage investments and buyouts; and being the Deputy Managing Director of Nomura Securities from 1996 to 1998, where he was responsible for its investment banking operations in Malaysia. Mr Loo started his career as a management consultant with Arthur D. Little in 1990.

Mr Loo holds a Bachelor of Economics (Honours) and MBA from Monash University in Melbourne. He is a member of Singapore Institute of Directors.



Shareholding interest in the listed issuer and its subsidiaries

[Nil]

Familial relationship with any director and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries No

Conflict of interest (including any competing business)

Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer

**Other Directorships<sup>#</sup>**

<sup>#</sup> These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)

**Past (for the last 5 years)**

Advance SCT Ltd  
C&G Environmental Protection Holdings Ltd  
C&C Industrial Services (Hong Kong) Co., Ltd  
CICC Holdings Pte Ltd  
Grandblue Environment Holdings Limited  
Hope Horizon Investment Pte Ltd

**Present**

1 Rockstead GIP Fund II Pte Ltd  
Alternative Assets Partners Ptd Ltd  
Amalgam Capital Partners Pte Ltd  
Brash Asia Pte Ltd  
Fortrec Chemicals and Petroleum Pte Ltd  
Fortrec Capital Pte Ltd  
Valuetronics Holdings Ltd  
Vermillion Gate Pte Ltd

**Information required**

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**Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.**

- (a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner? **[No]**
- (b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency? **[No]**
- (c) Whether there is any unsatisfied judgment against him? **[No]**
- (d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose? **[No]**
- (e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach? **[No]**
- (f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part? **[No]**
- (g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust? **[No]**



(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust? **[No]**

(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity? **[No]**

(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-

(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or **[No]**

(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or **[No]**

(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or **[No]**

(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, **[No]**

in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?

(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere? **[No]**

**Information required**

**Disclosure applicable to the appointment of Director only.**

Any prior experience as a director of a listed company? **[Yes]**

If yes, please provide details of prior experience.

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Valuetronics Holdings Ltd (Current)  
Advance SCT Ltd  
C&G Environmental Protection Holdings Ltd

If no, please provide details of any training undertaken in the roles and responsibilities of a director of a listed company.

**THE COMPANIES ACT  
(CHAPTER 50)  
SECTION 173(2)(a)**

**CONSENT TO ACT AS DIRECTOR  
AND STATEMENT OF NON  
DISQUALIFICATION TO ACT AS  
DIRECTOR**

**Name of Company:** Datapulse Technology Limited

**Company No:** 198002677D

I, the undermentioned person, hereby consent to act as a director of the abovenamed company with effect from..... and declare that:

(a) I am not disqualified from acting as a director, in that:

- (i) I am not below 18 years of age and that I am of full capacity.
- (ii) Within a period of 3 years preceding the date of this statement I have not had any disqualification order made by the High Court of Singapore against me under section 149A(1) of the Companies Act ("the Act").
- (iii) Within a period of 5 years preceding the date of this statement I have not had any disqualification order made by the High Court of Singapore against me under section 149(1) or 154(2) of the Act.

\* (iv) That within a period of 5 years preceding 12th November 1993 I have not been convicted whether within or without Singapore, of any offence —

- (A) in connection with the promotion, formation or management of a corporation;
- (B) involving fraud or dishonesty punishable on conviction with imprisonment for 3 months or more; or
- (C) under section 157 (failure to act honestly and diligently as a director or making improper use of company information for gain) or under section 339 (failure to keep proper company accounts books) of the Act.

\* (v) That within a period of 5 years preceding the date of this statement I have not been convicted, in Singapore or elsewhere, of any offence involving fraud or dishonesty punishable on conviction with imprisonment for 3 months or more.

(vi) That —

- (A) I have not been convicted of 3 or more offences under the Act in relation to the requirements on the filing of returns, accounts or other documents with the Registrar of Companies and have not had 3 or more orders of the High Court of Singapore made against me under section 13 or 399 of the Act in relation to such requirements;
- (B) the last of any such conviction did not take place or the last of any such order was not made during the period of 5 years preceding the date of this statement; and
- (C) I am not an undischarged bankrupt under section 148(1) of the Act.

(vii) By virtue of the foregoing I am not disqualified from acting as a director of the abovenamed company.

(b) I am aware of and undertake to abide by my duties, responsibilities and liabilities specified in the Act as well as under the common law where applicable, including the following key administrative and substantive duties, that is, to:

- (i) discharge my responsibilities in the company;
- (ii) ensure that I have a reasonable degree of skill and knowledge to handle the affairs of the company;
- (iii) act honestly and be reasonably diligent in discharging my duties and act in the interest of the company without putting myself in a position of conflict of interest;

- (iv) employ the powers and assets that I am entrusted with for the proper purposes of the company and not for any collateral purpose;
- (v) ensure that the company and I comply with all the requirements and obligations under the Act including those in respect of meetings, requisitions, resolutions, accounts, reports, statements, records and other documents on the company, filing and notices and any other prerequisites; and
- (vi) account to the shareholders for my conduct of the affairs of the company and make such disclosures that are incumbent upon me under the Act.

(c) That —

\* (i) I have read and understood the above statements; or

~~\*(ii) the above statements were interpreted to me in~~

.....  
(state language/dialect)

by .....  
(state name)

NRIC NO: .....

before I executed this form and I confirm that the statements are true. I am also aware that I can be prosecuted in Court if I willfully give any information on this form which is false.

Name: **Loo Cheng Guan**

Address: 10 Jalan Batu #02-02 Singapore 431010

Passport / IC No **S2603358F**

Nationality: **Singaporean**

Signature: 

Dated this 12 day of January 2018

\*Delete where inapplicable.



## DIRECTOR'S INDEPENDENCE DECLARATION FORM

Company Name	Datapulse Technology Ltd (the "Company")
Date	12 January 2018
Name of director	Loo Cheng Guan

I hereby confirm the following:

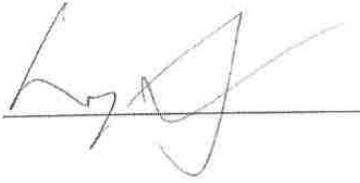
1. That I am not employed by the Company or any of its related corporations, and I have not been employed by the Company or any of its related corporations for the current or any of the past three financial years.
2. That I do not have an immediate family member<sup>1</sup> who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the Company's Remuneration Committee.
3. That I, and my immediate family member(s)<sup>1</sup>, have not accepted any significant compensation from the Company or any of its related corporations for the provision of services, for the current or immediate past financial year, other than compensation for board service.
4. That I, in the current or immediate past financial year, am or was not, and my immediate family member(s)<sup>1</sup>, in the current or immediate past financial year, are or were not,
  - (i) a 10% shareholder of or a partner in (with 10% or more stake); or
  - (ii) an executive officer of, or a director of,

any organisation to which the Company or any of its subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or material services (which may include auditing, banking, consulting and legal services), in the current or immediate past financial year. (Payments<sup>2</sup> aggregated over any financial year in excess of S\$200,000 shall be deemed to be significant.)
5. I, and my immediate family member(s)<sup>1</sup>, am/are not a 10% shareholder of the Company.
6. I am not or have not been directly associated<sup>3</sup> with a 10% shareholder of the Company in the current or immediate past financial year.
7. I do not have a relationship with the Company, its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with my exercise of independent business judgement with a view to the best interests of the Company.

---

In view of the foregoing, I am to be considered an \*independent/non-independent Director of the Company, as contemplated by the Code of Corporate Governance.

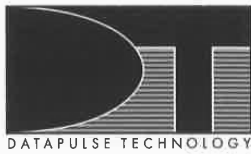
Signed: \_\_\_\_\_



Date: 12 January 2018 \_\_\_\_\_

*\* Delete where Inapplicable*

- <sup>1</sup> Immediate family member means the person's spouse, child, adopted child, step-child, brother, sister or parent.
- <sup>2</sup> Payments for transactions involving standard services with published rates or routine and retail transactions and relationships (for instance credit card or bank or brokerage or mortgage or insurance accounts or transactions) will not be taken into account, unless special or favourable treatment is accorded.
- <sup>3</sup> A director will be considered "directly associated" with a 10% shareholder when the director is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the 10% shareholder in relation to the corporate affairs of the company. A director will not be considered "directly associated" with a 10% shareholder by reason only of his or her appointment having been proposed by that 10% shareholder.



Date: 18 January 2018

To: Uniseraya Holdings Pte Ltd  
Ng Bie Tjin @ Djuniarti Intan

8 Temasek Boulevard  
#25-03 Suntec Tower 3  
Singapore 038988

Dear Sirs

**Datapulse Technology Limited ("Company")**  
**Requisition Notice dated 26 December 2017 ("Requisition Notice")**

1. We refer to your letter of 15 January 2018.
2. We thank you for providing further information relating to Messrs Ng Bie Tjin @ Djuniarti Intan, Ng Boon Yew, Koh Wee Seng and Loo Cheng Guan (collectively the **"Proposed New Directors"**) requested for in our letter of 10 January 2018, including their declarations as required under Appendix 7.4.1 of the Listing Manual, consent to act as director as required under the Companies Act and their declaration of independence (or otherwise).

Further to such information received, the Board has certain further queries or clarifications on the Proposed New Directors for which we should be grateful for your assistance in obtaining the relevant information from the Proposed New Directors:

- (a) We note that Mr Ng Boon Yew (**"Mr Ng"**) used to be a director of the Company until 31 July 2013 while Ms Ng Bie Tjin @ Djuniarti Intan (**"Ms Ng"**) used to be a director of the Company until 30 November 2014.

Will Mr Ng and Ms Ng be able to share further details as to the circumstances under which they each ceased to be directors of the Company?

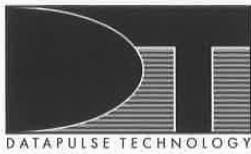
- (b) We note that Mr Koh Wee Seng (**"Mr Koh"**) is the chief executive officer of Aspial Corporation Ltd, where Ms Ng also serves as a director.

In addition, we note from publicly available information that a Mr Ng Leok Cheng is the chief executive officer of Maxi-Cash Financial Services Corporation Ltd., a subsidiary of Aspial Corporation Limited. Mr Koh Wee Seng is a controlling shareholder of both Maxi-Cash Financial Services Corporation Ltd. and Aspial Corporation Limited. Mr Ng Leok Cheng used to be the managing director of the Company until 18 November 2014, prior to his stepping down from the office, which was around the same time as Ms Ng stepping down from office from the Company.

**Datapulse Technology Limited**

Co. Reg. No.: 198002677D

15A Tai Seng Drive Datapulse Industrial Building Singapore 535225 Tel : (65) 6382 7989 Fax : (65) 6382 8070 Email: dtpulse@datapulse.com.sg



Apart from what the Company has found out as aforesaid, are there any other existing or historical relationships or associations between any of the Proposed New Directors which the Board or Shareholders should be aware of?

- (c) In relation to Mr Loo Cheng Guan, we note that he does not appear to have indicated in his independence declaration form, whether he is to be considered an independent or non-independent director of the Company and should be obliged if he could provide the relevant declaration accordingly.
3. The Board finds it odd that since 26 December 2017, when the Requisition Notice was first issued, while there has been a lot of views offered by the Requisitionists, *inter alia*, on their requirement for the Company to hold its hands on moving forward with any diversification proposal(s), *inter alia*, unless there is a "complete feasibility study" conducted on the same, neither the Requisitionists nor the Proposed New Directors nominated by the Requisitionists have approached the Company with any proposals or suggestions of any possible or proposed diversification strategy or proposal on which, *inter alia*, the Company could conduct feasibility studies on and/or otherwise embark upon.

Given the uncertainty of the status of the Company's existing business, the current and immediate priority is for the Company to find a new core business, and the Board would like to invite the Proposed New Directors to come forward to share any views or ideas they may have in this respect, so that such information can be disseminated accordingly to Shareholders.

Yours faithfully,

For and on behalf of  
Datapulse Technology Limited  
Michael Lee Kam Seng  
Chief Financial Officer

**Datapulse Technology Limited**

Co. Reg. No.: 198002677D

15A Tai Seng Drive Datapulse Industrial Building Singapore 535225 Tel : (65) 6382 7989 Fax : (65) 6382 8070 Email: [datapulse@datapulse.com.sg](mailto:datapulse@datapulse.com.sg)

Date: 24 January 2018

To: **The Board of Directors**  
Datapulse Technology Limited  
15A Tai Seng Drive  
Datapulse Industrial Building  
Singapore 535225

Cc: **Ms June Sim**  
Head, Listing Compliance  
SGX  
(by email)

Dear Sirs

**DATAPULSE TECHNOLOGY LIMITED ("COMPANY")**  
**REQUISITION NOTICE DATED 26 DECEMBER 2017 ("REQUISITION NOTICE")**

1. We refer to your letter dated 18 January 2018, sent in response to our second letter of 15 January 2018 where we had enclosed the information requested by way of your letter dated 10 January 2018.
2. To date, the Board has not responded to our first letter of 15 January 2018, where we had asked for responses to several critical questions, including whether the Board intends to comply with its obligations pursuant to the Requisition Notice. The Board has also not responded to our 19 January 2018 letter, where we had reiterated the Board's failure to respond to those questions and asked for an urgent response immediately. The Board has continued to disregard critical and urgent questions from its shareholders (as was also highlighted in a recent article by Professor Mak Yuen Teen dated 20 January 2018), and we ask, for the third time, that the Board responds to our questions by **Monday, 29 January 2018**, failing which we reserve our right to take any steps which we deem necessary, including our right under s 176(3) and (4) of the Companies Act to convene a meeting.
3. Although we are not obliged to respond to your various queries at paragraph 2 of your letter, we are happy to address them, and trust that the Board will not in any way delay convening an EGM pursuant to the Requisition Notice on account of these queries.
4. In response to the query raised at paragraph 2(a) of your letter, we would like to direct your attention to the Company's announcements dated 1 August 2013 and 1 September 2014. The reasons for the cessation of directorship for Mr Ng Boon Yew ("**Mr Ng BY**") and Ms Ng Bie Tjin @ Djuniarti Intan ("**Ms Intan Ng**") respectively, have been explicitly set out in those announcements. The Board must have access to the Company's publicly disclosed announcements and the details contained therein. In fact, Mr Ng BY's and Ms Intan Ng's previous directorships of the Company were already disclosed in the Requisition Notice, and was not "information received" by the Board only in our second letter of 15 January, and should not be misleadingly portrayed as such.
5. In response to your query at paragraph 2(b) of your letter, we refer you to our earlier letters, including the Requisition Notice and our second letter of 15 January.

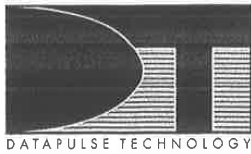
6. In response to your query at paragraph 2(c) of your letter, we confirm that Mr Loo Cheng Guan would be considered an independent director of the Company.
7. We strenuously object to the suggestion at paragraph 3 of your letter that the Proposed New Directors and the Requisitionists are obliged to propose a diversification strategy for the Company at this juncture. This is especially when we do not have access to the Company's information, which would be necessary to propose any meaningful or properly assessed diversification strategy – information which the Board has access to, and precisely why we have asked the Board to carry out the relevant feasibility studies contemplated under the Requisition Notice (and which the Board appears to be reluctant to do, even at this stage where numerous doubts have been raised against this Board's actions since its appointment). To the contrary, it is the Board which is obliged by its fiduciary duties to act in the best interests of the Company, and as we have highlighted numerous times, we have significant concerns as to whether such duties have been fulfilled. Again, we hope that your letter is not an attempt to delay convening the EGM pursuant to the Requisition Notice.
8. We reiterate our demand that the EGM be convened as soon as possible. For the avoidance of doubt, all our rights are fully reserved.



Signed for and on behalf of  
UNISERAYA HOLDINGS PTE LTD



NG BIE TJIN @ DJUNIARTI INTAN



Date: 2 February 2018

To: Uniseraya Holdings Pte Ltd

8 Temasek Boulevard  
#25-03 Suntec Tower 3  
Singapore 038988

Ng Bie Tjin @ Djuniarti Intan

8 Temasek Boulevard  
#25-03 Suntec Tower 3  
Singapore 038988

Dear Sirs

Datapulse Technology Limited ("Company")  
Requisition Notice dated 26 December 2017 ("Requisition Notice")

1. We refer to your letter of 24 January 2018 (the "24 January Letter")
2. The 24 January Letter has failed to address the queries raised by the Company by way of their letter of 18 January 2018 ("18 January Letter").
3. The Board is of the view that it is important to obtain a further understanding and information, relating to the following matters, so the Board and Shareholders will be in a more informed position to recommend or decide on the proposed appointment of the Proposed New Directors in due course:

Ms Ng Bie Tjin @ Djuniarti Intan ("Ms Intan Ng")

4. Assuming Ms Intan Ng joins the Board as an Executive Director, her qualifications, experience and competence to lead the Company, including character and integrity, will be of relevance.
5. Ms Intan Ng used to be an Executive Director and Finance Director of the Company until 30 November 2014. She is the daughter of the Company's co-founder and former chairman, and was, and is a controlling shareholder of the Company.
6. Despite this, she resigned, purportedly "to pursue other personal interests".
7. Based on the Company's records, there appear to be various disputes, and disagreements, between Ms Intan Ng and the then Executive Director, Mr Ng Cheow Chye ("Mr CC Ng") prior to her departure from the Company; including allegations involving the misreading of financial records of the Company, for which Ms Intan Ng issued a formal written apology to Mr CC Ng, shortly before her resignation.

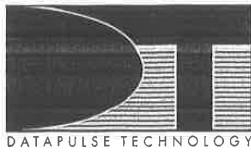
150 Beach Road, The Gateway West Level 35, Singapore 189720.

**Datapulse Technology Limited**

Co. Reg. No.: 198002677D

~~15A Tai Seng Drive Datapulse Industrial Building Singapore 535225~~ Tel : (65) 6382 7989 Fax : (65) 6382 8070 Email: dtpulse@datapulse.com.sg





8. As the current Board has no knowledge of the details of the recorded disputes and/or disagreements the Company had invited Ms Intan Ng to provide more disclosure on the circumstances of her departure. That, however, was not addressed in the response to the 24 January Letter.

We reiterate our request for Ms Intan Ng to provide details of the circumstances of her departure, from the Company, including the justifications for her issuance of the formal written apology to Mr CC Ng.

9. As there is a possibility that Ms Intan Ng is likely to join the Board, as an Executive Director, if she is appointed, the Board had previously sought information on, amongst others, Ms Intan Ng's plans for the Company's future, business strategy, and/or direction, but its attempt to obtain the relevant, and necessary, information was stonewalled, going by the response of the 24 January Letter.
10. The Board has noted, from the records of the Company, that part of the reasons offered by Ms Intan Ng for wanting to leave the Company, in 2014, was her inability as management to bring the Company to a new direction to find new business. The Board takes the view that it is important for Shareholders to know if Ms Intan Ng would now be able to help the Company develop viable business directions, including finding any new business, in the event of her re-appointed as a Director of the Company.

We reiterate our request for Ms Intan Ng to provide her views on what should be the Company's business strategy, or direction, prior to the consideration of her proposed appointment to the Board.

Mr Ng Boon Yew ("Mr BY Ng")

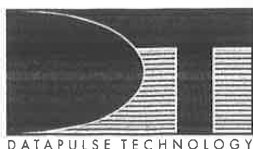
11. Mr BY Ng used to be an independent director of the Company when Ms Intan Ng was serving on the Board (for a total of approximately 12 years). It was proposed that he returns to the Board, as an Independent Director, together with Ms Intan Ng; who will be both a controlling shareholder and Director of the Company if appointed.
12. Given the past long-standing relationship and/or connection, between Mr BY Ng and Ms Intan Ng, Shareholders would be keen to know the degree of independence between the parties. Hence, the Company had invited disclosure of any other existing or historical relationships, which the Board and Shareholders should be aware of, but not addressed in the response to the 24 January Letter.
13. The Board understands that the Company previously made an investment ("Raffles Campus Investment") of S\$2,000,000 in Raffles Campus Pte Ltd, a company in which Mr Ng Boon Yew had an interest of not less than 30%, in 2004, which was subsequently disposed of in 2006, for S\$2,100,000.00, providing the Company with a mere gain of S\$100,000.00 over a period of 2 years.

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The Raffles Campus Investment appears to be an interested person transaction, under the listing rules, as Mr Ng Boon Yew had an interest of not less than 30% in the company. However, from the records of the Company, the current Board is unable to ascertain the deliberations made by the former board of directors, *inter alia*, as regards the rationale and/or terms of the transaction before they arrived at the decision to conclude the same.

As Mr BY Ng, and Ms Intan Ng, were on the board of directors at the relevant point in time, the Board would like to invite them to make disclosures on the deliberations that were made on the transaction, including whether or not a feasibility study, or due diligence, was undertaken prior to the making of the investment.

Mr Koh Wee Seng ("Mr Koh Wee Seng")

14. Mr Koh Wee Seng is the chief executive officer of Aspial Corporation Ltd, where Ms Intan Ng served as independent director. The chief executive officer of Aspial Corporation Ltd's listed subsidiary, Maxi-Cash Financial Services Corporation Ltd, Mr Ng Leok Cheng also just happens to be the former managing director of the Company until 18 November 2014, after which he stepped down from office, at the same time as Ms Intan Ng.
15. Given the close relationship and/or connection, between Mr Koh Wee Seng and Ms Intan Ng, the Shareholders would be keen to know the degree of independence between the parties. Hence, the Company had invited disclosure of any other existing or historical relationships, which the Board and Shareholders should be aware of, but was not addressed in the response to the 24 January Letter.

In the interests of the Company, and the Shareholders, we reiterate our request for Ms Intan Ng, Mr BY Ng, and Mr Koh Wee Seng, to make full and frank disclosure of any other existing or historical relationship between themselves. The Company and/or their Shareholders are entitled have knowledge of that prior to their proposed appointment to the Board.

Please provide your response to the matters highlighted in bold by **16 February 2018**.

Please note that the Company reserves the right to publish this letter together with earlier correspondence, and/or documents, that were not previously announced

Yours faithfully,

For and on behalf of  
Datapulse Technology Limited  
Michael Lee Kam Seng  
Interim CEO

150 Beach Road, The Gateway West Level 35, Singapore 189720.

**Datapulse Technology Limited**

Co. Reg. No.: 198002677D

15A Tai Seng Drive Datapulse Industrial Building Singapore 535225 Tel : (65) 6382 7989 Fax : (65) 6382 8070 Email: dtpulse@datapulse.com.sg

Date: 5 February 2018

To: **The Board of Directors**  
Datapulse Technology Limited  
150 Beach Road  
The Gateway West #35-00  
Singapore 189720  
(by email only: [michael-lee@datapulse.com.sg](mailto:michael-lee@datapulse.com.sg))

Cc: **Ms June Sim**  
Head, Listing Compliance  
SGX  
(by email)

Dear Sirs

**DATAPULSE TECHNOLOGY LIMITED ("COMPANY")**  
**REQUISITION NOTICE DATED 26 DECEMBER 2017 ("REQUISITION NOTICE")**

1. We refer to your letters dated 2 February 2018, in response to our 29 January 2018 letter ("**First Letter**"), as well as in response to our 24 January Letter ("**Second Letter**").

**First Letter**

2. Your First Letter does not make sense, and unfortunately creates even more doubt. You claim that you have responded to the queries in our 29 January letter through your 30 and 31 January 2018 announcements. You have not. Simply to make things clear to you, the following queries from our 29 January letter remain unanswered:

*Paragraph 15 of our 29 January letter:*

- (1) What are the exact dates that the Company retrenched its staff?
  - (2) When did the Company's manufacturing operations cease (in particular, its CD and DVD lines), or how many percent capacity is the Company's CD and DVD manufacturing business operating at?
  - (3) When was the last day that the Company booked any sales in each of its CD, DVD, Blu-Ray, and activation card businesses?
  - (4) If the information set out in paragraph 13 [of our 29 January letter] is correct, why did the Board continue to refer to the Company's optical media business as "existing"?
3. Further, given your statement that the Company "*still retains part of its manufacturing equipment, and there may be a possibility that the Company could consider re-starting manufacturing activities*", it is also important for the Board to explain **what "part" of the manufacturing equipment is still in the Company's possession, how the Company's new premises may still cater for the Company to "re-start" its manufacturing activities,** as well as **how the Company intends to "re-start" its manufacturing activities given that it "does not have any remaining manufacturing staff"** (as stated in your 31 January 2018 announcement), so that the shareholders can assess how likely it is for the Board to assert that the Company may still return to its manufacturing activities, and for the shareholders to consider the Board's continued attempts to diversify in light of that possibility.

4. It appears that the Board is trying to keep the shareholders appeased by hanging on to the apparent possibility of returning to its optical media manufacturing business while pushing ahead with its acquisition of Wayco. The Board's continued refusal to answer simple and important questions only serves to cast more doubts into its activities.
5. Not only that, you have decided to ignore our explanation with regard the alleged "irregularities" in the Requisition Notice. We have fully dealt with any purported doubt with our shareholdings, and have explained that any perceived difference in our shareholding is a result of our shares being held by nominees, and have provided evidence to back up our position. Yet, you continue to insist that the Requisition Notice is irregular, without explaining your basis for that allegation. We demand that you explain **why** you continue to take the unjustified position that the Requisition Notice is irregular, failing which, it is quite apparent that the Board's position has no basis at all.
6. In that light, it is quite absurd for you to try and intimidate us into silence by saying that we are making "*baseless, false, and malicious statements about the Company and/or the Board*", when it is the Board that is taking a baseless position about the "irregularity" of our Requisition Notice and alleging that we do not hold the shares that we obviously do.

#### **Second Letter**

7. Your Second Letter is clearly another attempt to create delay. We see no reason to entertain your queries, save to say that:
  - (a) The issue that arose between Ms Intan Ng and Mr Ng Cheow Chye was of a personal nature. In any case, it has **no bearing on the current Board's actions and the basis for the Requisition Notice**.
  - (b) Any disclosures that are required by the SGX have already been made by the proposed nominees (Ms Intan Ng, Mr Ng Boon Yew, Mr Loo Cheng Guan, and Mr Koh Wee Seng), and the nominees have signed the relevant forms, including the declarations of independence required by the SGX. If the SGX has any concerns about any existing relationships between the nominees, it is for them to make the relevant queries (much like the SGX has queried the relationship between Ms Ng Siew Hong and Mr Ang Kong Meng, which resulted in the SGX requiring the Company to notify it in advance of any possible acquisitions involving Mr Ang Kong Meng).
  - (c) As for your queries about whether Ms Intan Ng has any direction for the Company, it is again quite unfortunate that the Board, instead of taking responsibility for its own actions, is choosing to fight back in this manner. **You** are the members of the Board. We are not. We are not in a position, and do not have sufficient information, to "*help the Company develop viable business directions*" at present. You are. Yet, you have put the Company in its current position, and instead of trying to do the right thing, are trying to cast aspersions on us.
  - (d) More importantly, it seems that the Board is trying to whitewash its actions by raising these irrelevant and unrelated matters, when the Board should instead be focusing on its own actions and the questions that have been raised, not just by the Requisitionists, but by the SGX and other concerned members of the public. It is unfortunate that the Board has decided to mount attacks on concerned shareholders and other parties, instead of speaking for its own conduct.

8. It appears that these exchanges with the Board are not serving any purpose at all, given the Board's insistence on stonewalling us and the shareholders and taking an aggressive stance, instead of trying to make amends for these matters. We ask, one last time, that you respond to our queries above, by **7 February 2018**, failing which, we will proceed to enforce our rights (including to convene an EGM and to claim for the costs of doing so from the Board) without any further reference to you. Further, we remind you that it is your conduct that is being questioned – not ours. However, the Board seems to be using these exchanges to avoid answering critical questions that have been posed to it, and instead is trying to stall matters by trying to question our intentions. We see no reason to entertain any further queries from the Board and will address any queries (whether from the Board or the shareholders) at the EGM.
9. All of our rights are reserved.



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Signed for and on behalf of  
**UNISERAYA HOLDINGS PTE LTD**



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**NG BIE TJIN @ DJUNIARTI INTAN**

## APPENDIX D – THE WAYCO PROPERTIES

<b>Property 1</b>			
<b>Lot No./Title No.: 12893/GRN60048, in the Mukim of Tebrau, District of Johor Bahru, Johor Darul Takzim</b>		<b>Address: No. 11, Jalan Dewani 3, Kawasan Perindustrian Dewani, 81100 Johor Bahru, Johor Darul Takzim</b>	
<b>Full Description</b>		<b>Date of Valuation<sup>19</sup></b>	<b>Valuation Amount (RM)</b>
<p>Property 1 consists of a parcel of freehold industrial land, generally rectangular in shape with land area of 22,776.4 square feet. It has a frontage width of about 58.2 metres onto Jalan Dewani 3 and an average depth of 45.4 metres onto a water reserve line.</p> <p>Property 1 also has a double-storey detached factory. The factory has, amongst other things, packaging areas, offices and storage areas. It also has access to water, electricity supplies and telephone facilities. The factory was occupied at the time of the valuation.</p>		4 December 2017	3,200,000.00

<b>Property 2</b>			
<b>Lot No./Title No.: 1511/GRN 92310 in the Mukim of Tebrau, District of Johor Bahru, Johor Darul Takzim</b>		<b>Address: No. 12, Jalan Dewani 3, Kawasan Perindustrian Dewani, 81100 Johor Bahru, Johor Darul Takzim</b>	
<b>Full Description</b>		<b>Date of Valuation<sup>20</sup></b>	<b>Valuation Amount (RM)</b>
<p>Property 2 consists of a parcel of freehold industrial land, generally trapezoidal in shape with land area of 1,985.5 square metres. It has a frontage width of about 48.5 metres onto Jalan Dewani 3 and an average depth of 59.4 metres.</p> <p>Property 2 also has a double-storey detached factory with a mezzanine floor. The factory has production areas, offices, changing rooms and toilets. It also has access to water, electricity supplies and telephone facilities. The factory was occupied at the time of the valuation.</p>		4 December 2017	3,100,000.00

<b>Property 3</b>			
<b>Lot No./Title No.: 66628/GRN233725, Mukim and District of Petaling, Selangor Darul Ehsan</b>		<b>Address: No. 10, Jalan Puteri 7/11, Bandar Puteri, 47100 Puchong, Selangor Darul Ehsan</b>	
<b>Full Description</b>		<b>Date of Valuation<sup>21</sup></b>	<b>Valuation Amount (RM)</b>
<p>Property 3 is freehold property. The site of Property 3 is rectangular in shape, and has a titular land area of 121 square metres. It has a frontage of about 6.095 metres onto Jalan Puteri 7/11 and a depth of about 19.812 metres.</p> <p>Property 3 is a 1.5 storey intermediate terraced shop-office. The shop-office has access to water, electrical supply and telecommunication facilities. The shop-office also has tenants at the date of valuation.</p>		24 November 2017	1,000,000.00

19 Property 1 was valued by Burgess Rawson (JH) Sdn Bhd (Company Registration No.: 1168085-H), a valuer based in Johor Bahru, Malaysia where Property 1 is located (“**Burgess Rawson, Malaysia**”).

20 Property 2 was also valued by Burgess Rawson Malaysia.

21 Property 3 was valued by Savills (Malaysia) Sdn Bhd. (Company Registration No.: 333510-P), a valuer based in Kuala Lumpur, Malaysia, where Property 3 is located.

## APPENDIX E – TRADEMARKS OWNED BY WAYCO

List of Trademarks registered in Malaysia in favour of Wayco Manufacturing (M) Sdn Bhd:

S/No	Description	Expiry Date	Class	Status of Use
1	Fondens	16/11/2018	3	Not in use
2	Klaven	16/11/2018	3	Not in use
3	Caberidge	16/11/2018	29	Not in use
4	Recona	16/11/2018	29	Not in use
5	Wesberg	16/11/2018	29	Not in use
6	Xinwant	16/11/2018	29	Not in use
7	Goodlook Leaf Logo	16/11/2018	3	In use
8	Oxicare	9/12/2018	3	Not in use
9	Hydrogena	9/12/2018	3	Not in use
10	都乐 (with logo)	9/12/2018	29	Not in use
11	Jusme	9/12/2018	3*	Not in use
12	DiDaDi	9/12/2018	29	Not in use
13	Nu.G	9/12/2018	3	In use
14	JiaFu	9/12/2018	29	Not in use
15	GOODLOOK “Leaf” Logo	13/7/2020	3	In use
16	Wellina	23/10/2021	3	Not in use
17	Organicafe	23/10/2021	30	Not in use
18	WAYCO	8/11/2023	3	In use
19	SPORTCHAMP	11/9/2027	29	Not in use

Class 3                      Preparations for the care of the hair: Cosmetics, Perfumes, Toiletries

Class 3\*                    Preparations for the care for household, Cleaning, Polishing, Toiletries, Washing detergent, Home chemical

Class 29                    Meat, Fish, Poultry and game; Meat extracts; Preserved, Dried and cooked fruits and vegetables, Jellies, Jams fruits sauces, Eggs, Milk products; Edible oils and fats

Class 30                    Coffee, Tea, Cocoa, artificial coffee





# Datapulse Technology Ltd

Provision of strategic review services  
**Extract of the Strategic Review Report**

**Reliance Restricted**

20 March 2018 | Version Final





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## 1. Notices Limitations

### Use of our report

The objective of our report is to review and evaluate the options available to Wayco in developing its sales and distribution capabilities for a timeframe of 3 to 5 years, the defined scope set out in the Engagement Agreement dated 25 January 2018 ("Engagement Agreement"), and our report should not be used for any other purposes.

Accordingly, save as set out hereunder, the report is not to be relied on by any other third parties, nor is its contents to be revealed to any other external party, for any purpose, without the prior written consent of Ernst & Young Solutions LLP ("EY"). The report would not be binding on any party. We disclaim all liability to any other party for all costs, loss, and damage that the other party may suffer or incur arising from or relating to or in any way connected with the contents of our report, the provision of our report to the other party or the reliance upon our report by any such party. If others choose to rely in any way on this report, they do so entirely at their own risk.

The contents of our report cannot be disclosed to any third parties without EY's prior written consent. In all cases, any recipient ("Recipient") of our report is subject to, and agrees to be bound by, the following conditions:

- ▶ EY (including its partners, employees, agents, subcontractors, employees and affiliated entities) neither accepts responsibility nor has any liability in contract, tort or otherwise to the recipient or any other third party in relation to the contents of this report;
- ▶ Any use or reliance of this report by the recipient for any purposes is entirely at its own risk;

- ▶ The Recipient does not acquire any rights as a result of such access and EY does not assume any duties or obligations in connection with, or as a result of, such access;
- ▶ The Recipient will not make any claims against EY which, in any way, relates to this report or arises out of it having access to that report or any discussion of its contents; and
- ▶ This report must not be made available or copied in whole or in part to any party without the express prior written permission of EY.

Accordingly, it is the responsibility of the client to inform the Recipients of the above limitations and to procure the Recipients' acceptance of the above conditions.

No party, other than the client is entitled to rely on our work and report for any purpose whatsoever and any reliance that is placed on our work and report by another party will be at that party's risk and without recourse to EY.

For the avoidance of doubt, the client does not include the shareholders of Datapulse and the prospective investors of Datapulse. Any recommendation made by the client to the shareholders of Datapulse shall remain the responsibility of the Board of Directors and the management of Datapulse.



## 1. Notices Limitations

Our views as set forth in this report are based on the prevailing market conditions, economic conditions, and financial conditions, and our analysis of the information provided to us by you, as of the date of this report. Accordingly, we assume no responsibility to update, revise or reaffirm our views as a result of any subsequent development after the date of this report. Our strategic option consideration and review framework reflect the operational and financial viability of the options within a timeframe of 3 to 5 years and does not consider Datapulse's internal controls and corporate governance practices.

Our work does not include any review of the adequacy of internal control policies, processes and procedures nor on any facts or circumstances around the acquisition of Wayco. We are not and were not involved in any aspect of the discussions and/or negotiations pertaining to any acquisition of Wayco, nor were we involved in the deliberations leading up to the decisions by the Board of Directors and the management in connection with acquisition of Wayco.

It is not within the terms of our engagement to express an opinion on the rationale for, legal, strategic, financial and commercial merits and/or risks, and structure of the Wayco acquisition, and accordingly this report does not purport to contain all the information that may be necessary or desirable to fully evaluate the rationale for, legal, strategic, financial and commercial or investment merits and/or risks of Wayco acquisition by the current and prospective investors. The assessment of the legal, strategic, financial, commercial and investment merits and/or risks of Wayco acquisition is solely the responsibility of the Board of Directors and the management. Additionally, our work should not be construed as investment advice.

The scope of our engagement does not require us to express, and we do not express, an opinion on the future prospects of Datapulse, Wayco, Way Company and/or Way Trading. We are, therefore not expressing any views on the future trading price of the shares and/or the financial condition of Datapulse, Wayco, Way Company and/or Way Trading.

Our terms of reference do not require us to provide advice on legal, regulatory, accounting, property or taxation matters and, where specialist advice has been obtained by Datapulse for the Wayco acquisition and made available to us, we have considered, and where appropriate, relied upon such advice.

Our work is not of the same nature as an audit, and does not constitute an audit. We are not, therefore, issuing an audit opinion. Instead, our work is in the nature of a review of the information provided to us, including discussions with Board of Directors and the management.



## 1. Notices Limitations

### Reliance on information and representation

In the course of our work, we have held discussions with the Board of Directors and the management. We have also examined and relied on information provided by them as well as representations or assurances, both written or verbal, made by them, and reviewed other relevant publicly available information. We have not independently verified all such information provided or any representation or assurance made by them, whether written or verbal, and accordingly cannot and do not warrant or accept responsibility for the accuracy or completeness of such information, representation or assurance. However, we have made reasonable enquiries and exercised our judgement on such information and have performed our review on such basis.

Nevertheless, the Board of Directors and the management has confirmed to us, upon making all reasonable enquiries and to their best knowledge and belief, that all material information has been disclosed to us, that the information provided to us constitutes a full and true disclosure, in all material respects, of all material facts relating to Datapulse, Wayco, Way Company and/or Way Trading as required for the purposes of our review (and there is no omission of material information, of which if any, would make any of the information considered herein inaccurate, incomplete, or misleading in any material respect).

In no circumstances shall we be liable, other than in the event of our bad faith or wilful default, for any loss or damage, of whatsoever nature arising from information material to our work being withheld or concealed from us or misrepresented to us by the board of directors and the management, employees or agents of Datapulse, Wayco, Way Company, Way Trading or any person of whom we may have made inquiries of during the course of our work.



## 2. EY Conclusion

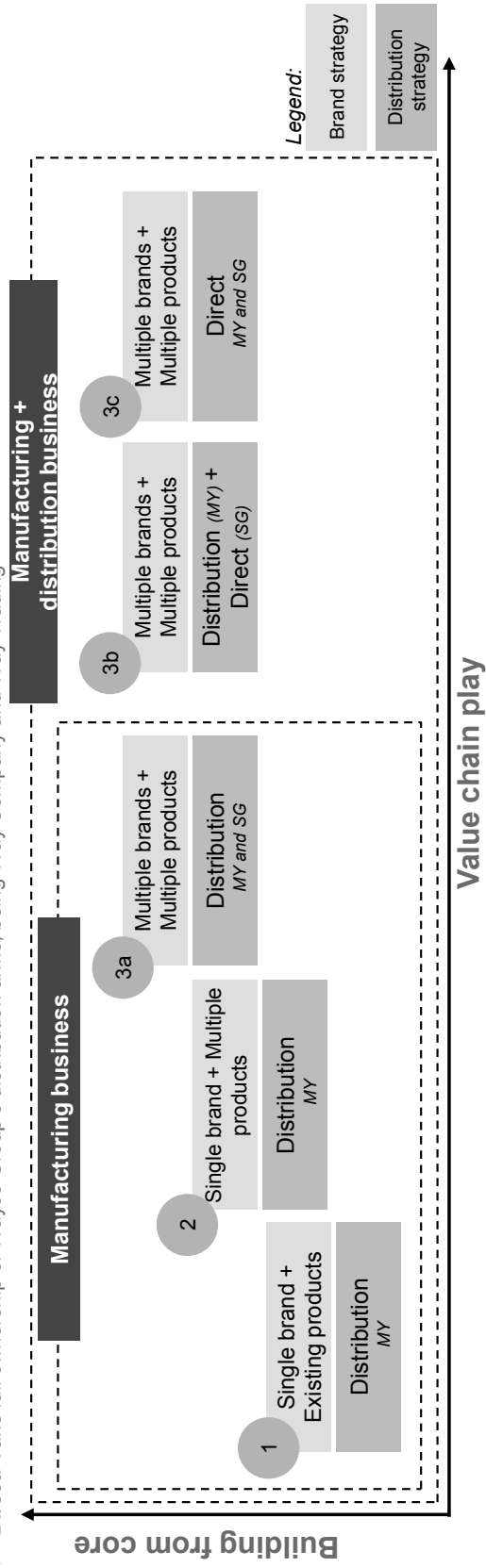
### EY Conclusion

- ▶ Prior to the acquisition of Wayco by the Company in December 2017, Wayco used to be the manufacturing arm of Way Company and Way Trading. EY noted that, the companies were all profitable according to their audited accounts as at financial year 2016.
- ▶ Based on the work performed by EY, it has concluded that the existing Wayco business, being a standalone manufacturing business after the acquisition of the Company, is not sustainable. The Wayco business can be sustainable if the following conditions materialise:
  - (a) Datapulse puts in sufficient efforts to increase the utilization of manufacturing plants of Wayco;
  - (b) Datapulse invests sufficient capex to enhance the aged plant and equipment of Wayco;
  - (c) Datapulse puts in sufficient investment in developing the 'Goodlook leaf' brand it owns; and
  - (d) There are fair commercial terms remain regarding the sharing of profit margins and payment collection terms with key customer.
- ▶ Wayco has the potential to improve its business viability by transforming its business into a value chain play by developing its distribution capability and its suite of brand assets and products. This may be achieved by adopting the strategic options considered in the Strategic Review Report. EY has stated that while Wayco may take advantage of the expected growth in the hair care market that may facilitate or aid Wayco in transforming into a value chain play, each of the options has challenges and the management and the Board have to address such challenges in order to successfully implement the option(s) to be decided on by the management and the Board.
- ▶ The strategic options and challenges identified by EY in consultation with the Board of Directors of Datapulse are set out in the Strategic Review Report and the management and the Board of Directors of Datapulse should consider each of the factors identified in order to assess the appropriate option(s).

Source: EY Analysis

### 3. Option Tree

- ▲ Our strategic review is based on the following options agreed with the Board of Directors and the management. We have segregated the options into two main categories, namely manufacturing business and manufacturing + distribution business. In each main category, we proposed combinations of brand and distribution strategy for consideration.
- ▲ The strategic options identified and reviewed for Wayco Manufacturing (M) Sdn Bhd (“Wayco”) took into consideration both building on the core business and playing through the value chain.
- ▲ Under the brand strategy, the three options identified and reviewed are:
  - ▲ **Single brand + existing products:** Continue the existing manufacturing business of Wayco with existing Goodlook brand and product line
  - ▲ **Single brand + multiple products:** Continue the existing manufacturing business of Wayco with existing Goodlook brand and product line and new hair care product development
  - ▲ **Multiple brands + multiple products:** Expand the brands and products ranges
- ▲ Under the distribution strategy, the two identified and reviewed options are:
  - ▲ **Distribution:** Expand distribution networks through contract partnership with Wayco Company Pte Ltd (“Way Company”) and Wayco Trading (M) Sdn Bhd (“Way Trading”) or other distribution providers
  - ▲ **Direct:** Take full ownership of Wayco Group’s distribution arms, being Way Company and Way Trading



Source: the Board and the management, EY Analysis





#### 4. Investment evaluation framework

Option	Manufacturing business			Manufacturing + distribution business		
	Single brand + existing product	Single brand + multiple products	Multiple brands + multiple products	Multiple brands + multiple products	Distribution + direct	Direct
	Distribution					
	1	2	3a	3b	3c	
<b>Ease of execution:</b>						
Ability to hire experienced salespersons to reach out to distributors in respective markets without acquiring Wayco Group's distribution arms	●	●	●	●		○
Access to existing customers directly faster than building its own distribution network	○	○	○	●		●
Access to the Malaysia market with growth opportunity	●	●	●	●		●
Access to other brands owned by Wayco Group's distribution arms	○	○	○	●		●
Substitution risk of products	●	○	○	○		○
Requires time and investment for R&D and understanding the consumer profile	○	●	●	●		●
Collaboration with distributors is required to ensure products reach intended market	●	●	●	○		○
The need to have differentiation on value proposition for different brands	○	○	●	●		●

Legend: ● Pros ● Cons ○ Neutral

Source: the Board and the management, EY Analysis



#### 4. Investment evaluation framework

Option	Manufacturing business			Manufacturing + distribution business		
	Single brand + existing product	Single brand + multiple products	Multiple brands + multiple products			
	Distribution					
	1	2	3a			
<b>Financial feasibility, profitability and funding:</b>						
Increase revenue size	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Ease of tracking performance by products	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Secure the revenue and profit margins of existing distribution arms	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
No requirement on capital deployment to acquire the 2 distribution arms of Wayco Group	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ease of managing the selling prices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Unable to enjoy economics of sales	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Requires additional funding for capex and working capital and additional manpower for the greater product portfolio	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Need to ensure that there is minimal sales cannibalization among various brands	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Prudent cost management is required	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>

Legend:

☒ Pros
 ☒ Cons
 ☐ Neutral

Source: the Board and the management, EY Analysis



#### 4. Investment evaluation framework

Qualitative	Manufacturing business				Manufacturing + distribution business		
	Single brand + existing product	Single brand + multiple products	Multiple brands + multiple products		Multiple brands + multiple products		
	Distribution			Distribution + direct	Direct		
	1	2	3a	3b	3c		
	Option						
Operational factors:							
Single brand focus	●	○	○	○	○	○	
Access to all the existing markets	○	○	●	●	●	●	
Increase the utilization of the machinery	○	●	●	●	●	●	
Possess capability and expertise in producing other hair care products	○	●	●	●	●	●	
Potential phasing out of brand and products	●	○	○	○	○	○	
Effort required to build market presence	○	○	○	●	●	●	
Sustainability of the newly developed brands is uncertain	○	○	●	●	●	●	
Ensure that existing production equipment and capacity as well as manpower resources are able to accommodate the new hair care products	○	●	●	●	●	●	

Qualitative

Legend: ● Pros ● Cons ○ Neutral

Source: the Board and the management, EY Analysis

**About EY**

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

### DATAPULSE TECHNOLOGY LIMITED

(Company Registration No.: 198002677D)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Datapulse Technology Limited (the “**Company**”) will be held at Fuji Room, 137 Cecil Street, Hengda Building, #03-01, Singapore 069537 on 20 April 2018 at 2.00 p.m. for the purpose of considering and, if thought fit, passing (with or without any modifications) the following resolutions set out below.

All capitalised terms in this Notice which are not defined herein shall have the same meanings ascribed to them in the circular to Shareholders of the Company dated 26 March 2018 (the “**Circular**”).

#### **ORDINARY RESOLUTION 1:**

THAT Mr Low Beng Tin be removed as non-executive Chairman and director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies.

#### **ORDINARY RESOLUTION 2:**

THAT Mr Thomas Ng Der Sian be removed as director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies.

#### **ORDINARY RESOLUTION 3:**

THAT Mr Rainer Teo Jia Kai be removed as director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies.

#### **ORDINARY RESOLUTION 4:**

THAT Mr Wilson Teng Wai Leung be removed as director of the Company with effect from the date of the EGM, and for all necessary steps to be taken to remove him from all appointments with the Company, its subsidiaries and its associated and investee companies.

(Ordinary Resolutions 1 to 4 shall collectively be referred to as “**Proposed Removal of Existing Directors**”)

#### **ORDINARY RESOLUTION 5:**

THAT Mr Ng Boon Yew be appointed as director of the Company with effect from the date of the EGM.

#### **ORDINARY RESOLUTION 6:**

THAT Mr Loo Cheng Guan be appointed as director of the Company with effect from the date of the EGM.

#### **ORDINARY RESOLUTION 7:**

THAT Ms Ng Bie Tjin @ Djuniarti Intan be appointed as director of the Company with effect from the date of the EGM.

#### **ORDINARY RESOLUTION 8:**

THAT Mr Koh Wee Seng be appointed as director of the Company with effect from the date of the EGM.

(Ordinary Resolutions 5 to 8 shall collectively be referred to as “**Proposed Appointment of Proposed New Directors**”)

#### **ORDINARY RESOLUTION 9: THE PROPOSED BUSINESS DIVERSIFICATION**

That approval be and is hereby given for the Company to undertake the expansion and diversification of the core business(es) of the Group to include the Proposed Consumer Business and the Proposed Investment Business, subject to the Company adopting the recommendations set out in the Internal Controls Review report (as defined below) (the “**Proposed Business Diversification**”).

**Internal Controls Review report** refers to the report to be issued by RHTLaw Taylor Wessing LLP pursuant to the review of such matters as set out in the Notice of Compliance issued by SGX-ST on 23 February 2018.

Ordinary Resolution 9 will NOT be put up for voting by Shareholders in the event:–

- (i) **any of** the Ordinary Resolutions 5, 6, 7 and/or 8 is passed by a majority of Shareholders present and voting (on a poll) at the EGM; and/or
- (ii) **more than one of** Ordinary Resolutions 1, 2, 3, and 4 are passed by a majority of Shareholders present and voting (on a poll) at the EGM.

#### **ORDINARY RESOLUTION 10: THE PROPOSED SPECIAL DIVIDEND**

That a special one-tier tax exempt dividend be and is hereby approved and declared on the basis of S\$0.01 for each Share held by a shareholder as at the books closure date to be determined by the Board of Directors (“**Proposed Special Dividend**”).

#### Explanatory Notes:

##### *Ordinary Resolution 9*

Assuming any of Ordinary Resolutions 5, 6, 7 and/or 8 (Proposed Appointment of Proposed New Directors) is passed at the EGM, there would be a need to reconstitute the board of directors of the Company with the appointment of one or more of the Proposed New Directors. By not putting up Ordinary Resolution 9 for voting by Shareholders at the Company EGM, the reconstituted board would be given the opportunity to reconsider the Proposed Business Diversification and decide on the appropriate course of action for the Company thereafter.

Assuming only one of Ordinary Resolutions 1, 2, 3 and 4 (Proposed Removal of Existing Directors) is passed at the EGM, the majority of the existing Board of Directors of the Company will remain and will be able to implement the Proposed Business Diversification, and accordingly Ordinary Resolution 9 will be put up for voting by Shareholders.

By Order of the Board

#### **DATAPULSE TECHNOLOGY LIMITED**

Lee Kam Seng  
Chief Financial Officer and Company Secretary  
28 March 2018

**Notes:-**

1. Shareholders should note that by voting for Ordinary Resolution 9, they will be indirectly rejecting or not approving the No Diversification Resolution (further details of which are set out in Section 2.4 of the Circular) of the Second Requisition Notice, which was received on 20 February 2018.
2.
  - (a) A member (otherwise than a relevant intermediary) is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
  - (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore
3. A proxy need not be a member of the Company.
4. The instrument appointing the proxy or proxies must be deposited at the Company's Share Registrar Office, M&C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902, not less than 48 hours before the time appointed for the meeting.

**Personal Data Privacy**

By submitting an instrument appointing a proxy(ies) and/or representatives to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



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# DATA PULSE TECHNOLOGY LIMITED

(Company Registration No.: 198002677D)

## EXTRAORDINARY GENERAL MEETING PROXY FORM

### IMPORTANT:

1. Relevant intermediaries as defined in Section 181 of the Companies Act, Cap. 50 may appoint more than two proxies to attend, speak and vote at the annual general meeting.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy Datapulse Technology Limited shares, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.
3. By submitting an instrument appointing a proxy(ies) and/or representative(s), a member accepts and agrees to the personal data privacy terms set out in the notice of extraordinary general meeting dated 28 March 2018.

I/We \_\_\_\_\_ (Name), NRIC/Passport No. \_\_\_\_\_

of \_\_\_\_\_ (Address)

being a member/members of DATA PULSE TECHNOLOGY LIMITED (the "Company") hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Shareholding	
			No. of Shares	(%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholding	
			No. of Shares	(%)

or failing whom the Chairman of the Extraordinary General Meeting (the "Meeting") as my/our proxy/proxies to vote for me/us on my/our behalf at the Meeting to be held at Fuji Room, 137 Cecil Street, Hengda Building, #03-01, Singapore 069537 on 20 April 2018 at 2.00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her/their discretion.

No.	Ordinary Resolution	For	Against
1	To approve the proposed removal of Mr Low Beng Tin as a director of the Company		
2	To approve the proposed removal of Mr Thomas Ng Der Sian as a director of the Company		
3	To approve the proposed removal of Mr Rainer Teo Jia Kai as a director of the Company		
4	To approve the proposed removal of Mr Wilson Teng Wai Leung as a director of the Company		
5	To approve the proposed appointment of Mr Ng Boon Yew as a director of the Company		
6	To approve the proposed appointment of Mr Loo Cheng Guan as a director of the Company		
7	To approve the proposed appointment of Ms Ng Bie Tjin @ Djuniarti Intan as a director of the Company		
8	To approve the proposed appointment of Mr Koh Wee Seng as a director of the Company		
9	To approve the Proposed Business Diversification		
10	To approve the Proposed Special Dividend		

\* If you wish to exercise all your votes 'For' or 'Against', please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Total Number of Shares in	Number of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s)/  
Common Seal of Corporate shareholder



**Notes:–**

1. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
  2.
    - (a) A member (otherwise than a relevant intermediary) is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
    - (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).
- "Relevant intermediary" means:
- (i) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
  - (iii) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A proxy need not be a member of the Company.
  4. The instrument appointing the proxy or proxies must be deposited at the Company's Share Registrar Office, M&C Services Private Limited at 112 Robinson Road #05-01 Singapore 068902, not less than 48 hours before the time appointed for the meeting.
  5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the meeting.
  6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its Common Seal or under the hand of its attorney or a duly authorised officer.
  7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
  8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Cap. 50.
  9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose Shares are entered against his/her name in the Depository Register, the Company may reject any instrument of proxy lodged if such member, being the appointor, is not shown to have Shares entered against his name in the Depository Register 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

**Personal Data Privacy**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



