

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

**MINUTES OF EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD ON FRIDAY
20 APRIL 2018 AT 2.00 P.M. AT FUJI ROOM, 137 CECIL STREET, HENGDA BUILDING, #03-
01, SINGAPORE 069537**

PRESENT: Low Beng Tin, Chairman and Non-Executive Director
Wilson Teng Wai Leung, Executive Director and CEO
Thomas Ng Der Sian, Non-Executive Director
Rainer Teo Jia Kai, Non-Executive Director
Lee Pih Peng, Company Secretary
Please see [Appendix A](#)

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

1. Chairman

Mr. Low Beng Tin, the Chairman presided.

2. Quorum

The Chairman noted that there was A QUORUM PRESENT.

3. Notice

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

4. Meeting proceedings

The Chairman opened the Meeting by introducing himself and members of the Board.

He proceeded to outline the agenda of the meeting, indicating that there would be two Q&A sessions, one relating to the proposed removal of the existing directors and the proposed business diversification, and the other relating to the proposed appointment of the proposed new directors. He reminded Shareholders of the inter-conditionality of the resolutions to be passed at the meeting, in particular that if more than one of the existing directors were to be removed through the passing of Resolutions 1 to 4, or if any of the proposed new directors were to be appointed with the passing of Resolutions 5 to 8, then resolution 9 (relating to the proposed business diversification) would not be put to the vote).

Mr Mak Yuen Teen (“**Professor Mak**”) requested for detailed minutes of the Meeting to be released on SGXNet, to which the Chairman confirmed that it was the Company’s intention to do so.

Another Shareholder, Mr Chew Ah Kong (“**Mr Chew**”) asked if the proceedings of the Meeting would be recorded, and the Company Secretary replied it was usually the Company’s practice to do so to facilitate the preparation of the minutes, although it would be the minutes of the Meeting that are available for inspection by members.

Presentation by CEO

The Chairman invited Mr Wilson Teng, Executive Director and CEO, to give a presentation on the agenda of the Meeting.

Mr Wilson Teng took the Meeting through his presentation (attached as Appendix C). Key points that were presented or brought up during his presentation included the following:

- The Board believes in enhancing shareholders' value but does not see dividends as the only form of shareholders' value that it can deliver.
- Wayco has the opportunity to become nurtured to become a stronger platform in the market especially in the haircare and personal care business.
- Growth strategy will include geographical expansion in certain cities that the Company is looking at based on the market share potential, value chain enhancement within the organization, and looking forward to see how it can tighten the supply chain aspects.
- The buyback undertaking, where the vendor, Way Company Pte Ltd ("**Way Company**" or "**Vendor**") has agreed to buy back Wayco should there be any material adverse findings relating to Wayco ("**Buyback Undertaking**"), is a strong protection for the Company and shareholders.
- Wayco has been profitable and did not contribute to any of the Company's losses. EY strategic review looked at possible options for Wayco to develop capabilities and sales and execution, long term sustainability, and potential to improve business viability, if it shifts from current manufacturing business to more distribution and multi-brands and products.
- Board intends to transform Wayco into a value chain play, to a multi-product multi-brand strategy, becoming a regional brand with distribution capabilities across the region, setting the platform for more consumer services and products to come.
- As part of the next 3 months' plan, it is for the Company to prioritize existing product portfolio and to tighten supply chain management.
- Besides the consumer business, the Company will also be further diversifying into investment-related or property-related business, to complement the entire business strategy.
- The 100-day business plan will only be undertaken if the Proposed Business Diversification is approved at the EGM and after the adoption of the recommendations of the Internal Controls Review by the Company

On the diversification plan, the CEO said that it was subject to the adoption of the recommendations of the independent reviewer, Lee & Lee, on improvements to internal controls practices, and also elaborated on the safeguards to be put in place, including having to seek further shareholders' approval for first proposed acquisition transaction or series of transactions under the proposed consumer business that exceeds 20% under the thresholds set out in rule 1006, as well as the proposed investment business.

He also touched on the existing directors' profile and background, and the reasons why the Board questioned the suitability of the proposed new directors.

Question and Answer Session

After the presentation by the CEO, the Chairman invited questions from the floor.

Key salient discussions during the Q&A session that ensued are set out in Appendix D.

5. **Voting by Poll**

The Chairman exercised his discretion as Chairman of the Meeting and directed that all the resolutions be put to vote, by poll, pursuant to Article 69 of the Constitution of the Company. Samas Management Consultants Pte. Ltd. was appointed as the scrutineers for the conduct of the voting by poll and Trusted Source Pte. Ltd. was appointed as polling agent. The Chairman duly explained the voting procedures and the scrutineers duly explained the polling procedures to the members.

6. **Ordinary Resolution 1: Proposed Removal of Low Beng Tin**

As this resolution concerns Mr Low's directorship, Mr Wilson Teng, CEO of the Company, was invited to chair this segment of the Meeting.

The following resolution was:

proposed by Shareholder Mr Soh Thiam Hing (Su Tian Xing); and

seconded by Proxy Mr Tan Toik Born.

"THAT Mr Low Beng Tin be removed as non-executive Chairman and director of the Company with effect from the date of this meeting, 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."

The total number of votes cast was 137,896,140. The number of votes cast "FOR" was 56,444,725, representing 40.93% of the total votes cast. The number of votes cast "AGAINST" was 81,451,414, representing 59.07% of the total votes cast. The resolution was accordingly declared as not carried by a majority vote.

7. **Ordinary Resolution 2: Proposed Removal of Thomas Ng Der Sian**

Mr Wilson Teng passed the chair back to Mr Low to continue with the proceedings of the Meeting.

The following resolution was:

proposed by Shareholder Ms Ng Soo Mei; and

seconded by Proxy Mr Tan Toik Born.

"THAT Mr Thomas Ng Der Sian be removed as director of the Company with effect from the date of this meeting, 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."

The total number of votes cast was 137,931,372. The number of votes cast "FOR" was 56,539,957, representing 40.99% of the total votes cast. The number of votes cast "AGAINST" was 81,391,415, representing 59.01% of the total votes cast. The resolution was accordingly declared as not carried by a majority vote.

8. **Ordinary Resolution 3: Proposed Removal of Rainer Teo Jia Kai**

The following resolution was:

proposed by Shareholder Mr Soh Thiam Hing (Su Tian Xing); and

seconded by Shareholder Ms Lim Wah Fong (Lin Huafeng).

"THAT Mr Rainer Teo Jia Kai be removed as director of the Company with effect from the date of this meeting, 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.”

The total number of votes cast was 137,888,207. The number of votes cast “FOR” was 56,480,125, representing 40.96% of the total votes cast. The number of votes cast “AGAINST” was 81,408,082, representing 59.04% of the total votes cast. The resolution was accordingly declared as not carried by a majority vote.

9. **Ordinary Resolution 4: Proposed Removal of Wilson Teng Wai Leung**

The following resolution was:

proposed by Shareholder Mr Soh Thiam Hing (Su Tian Xing); and

seconded by Shareholder Mr Yu Chun Ku.

“THAT Mr Wilson Teng Wai Leung be removed as director of the Company with effect from the date of this meeting, 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.”

The total number of votes cast was 137,740,876. The number of votes cast “FOR” was 56,350,795, representing 40.91% of the total votes cast. The number of votes cast “AGAINST” was 81,390,081, representing 59.09% of the total votes cast. The resolution was accordingly declared as not carried by a majority vote.

10. **Ordinary Resolution 5: Proposed Appointment of Ng Boon Yew**

[**After note:** Mr Ng Boon Yew read from a prepared script for his statement relating to, *inter alia*, Raffles Campus Pte Ltd, a copy of such statement being attached as Appendix E and deemed incorporated by reference into these minutes.]

The following resolution was:

proposed by Shareholder Mr Ng Zhong Yang; and

seconded by Shareholder Mr Soh Thiam Hing (Su Tian Xing).

“THAT Mr Ng Boon Yew be appointed as director of the Company with effect from the date of this meeting.”

The total number of votes cast was 137,864,474. The number of votes cast “FOR” was 56,392,525, representing 40.90% of the total votes cast. The number of votes cast “AGAINST” was 81,471,949, representing 59.10% of the total votes cast. The resolution was accordingly declared as not carried by a majority vote.

11. **Ordinary Resolution 6: Proposed Appointment Loo Cheng Guan**

The following resolution was:

proposed by Shareholder Mr Soh Thiam Hing (Su Tianxing); and

seconded by Proxy Mr Clemen Chiang Wen Yuan.

“THAT Mr Loo Cheng Suan be appointed as director of the Company with effect from the date of this meeting.”

The total number of votes cast was 137,353,208. The number of votes cast “FOR” was 55,939,126, representing 40.73% of the total votes cast. The number of votes cast “AGAINST” was 81,414,082, representing 59.27% of the total votes cast. The resolution was accordingly declared as not carried by a majority vote.

12. **Ordinary Resolution 7: Proposed Appointment of Ng Bie Tjin @ Djuniarti Intan**

The following resolution was:

proposed by Shareholder Ms Ng Soo Mei; and

seconded by Proxy Mr Tan Toik Born.

“THAT Ms Ng Bie Tjin @ Djuniarti Intan be appointed as director of the Company with effect from the date of this meeting.”

The total number of votes cast was 137,639,640. The number of votes cast “FOR” was 56,224,892, representing 40.85% of the total votes cast. The number of votes cast “AGAINST” was 81,414,748, representing 59.15% of the total votes cast. The resolution was accordingly declared as not carried by a majority vote.

13. **Ordinary Resolution 8: Proposed Appointment of Koh Wee Seng**

The following resolution was:

proposed by Shareholder Ms Soh Thiam Hing (Su Tianxing); and

seconded by Shareholder Mr Yu Chun Ku.

“THAT Mr Koh Wee Seng be appointed as director of the Company with effect from the date of this meeting.”

The total number of votes cast was 137,753,272. The number of votes cast “FOR” was 56,486,523, representing 41.01% of the total votes cast. The number of votes cast “AGAINST” was 81,266,749, representing 58.99% of the total votes cast. The resolution was accordingly declared as not carried by a majority vote.

14. **Ordinary Resolution 9: Proposed Business Diversification**

As the Inter-conditionality of Resolutions was met, the Chairman moved to proceed with Resolution 9.

The following resolution was:

proposed by Proxy Mr Clemen Chiang Wen Yuan; and

seconded by Shareholder Mr Tang Koon Huat.

“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 (as per Section 5.4 of the Circular).”

The total number of votes cast was 137,881,805. The number of votes cast “FOR” was 81,208,748, representing 58.90% of the total votes cast. The number of votes cast “AGAINST” was 56,673,057, representing 41.10% of the total votes cast. The resolution was accordingly declared as not carried by a majority vote.

15. **Ordinary Resolution 10: Proposed Special Dividend**

Mr Chew requested to speak to shareholders on Resolution 10, which the Chairman assented to.

Mr Chew expressed his dissatisfaction with the quantum of dividends which was proposed, indicating that it was too little, considering the amount of proceeds that had been raised from the sale of the Company's Tai Seng Drive property. He voiced his objection to the money being spent on the diversification and questioned if the funds would be dissipated in that manner and what would shareholders get out of it. He also feared that diversification would lead to a decrease in the share price.

Mr Chew urged the existing Directors to re-consider increasing the quantum of the dividends as older shareholders like himself, and a 90-year shareholder (who gave him a proxy), want to get some of their money back. He suggested to the shareholders present at the Meeting that if the Board is not willing to consider a higher dividend, they should consider voting against the resolution for the 1 cent special dividend.

On a separate note, Mr Chew also expressed unhappiness with the Company not publishing his letter, to the Company, while another shareholder's letter relating to the proposed new directors was being published. He opined that that was not equitable treatment by the Board. **[After note:** The Company had published Mr Chew's letters of 16 and 17 April 2018 via an announcement made on SGXNet on 19 April 2018 after Mr Chew wrote in to the Company on 19 April 2018 to request for such publication.]

In response, the Chairman indicated that the Board had taken due note of his views and does not preclude or rule out distributing more dividends in future if there is surplus to the Company's requirements, but that would have to be subjected to further review.

There being no queries or comments from members, the following resolution was

proposed by Proxy Mr Clemen Chiang Wen Yuan; and

seconded by Shareholder Mr Chin Kwee Yong.

"THAT a special one-tier exempt dividend be and is hereby approved and declared on the basis of \$0.01 per share as at the Books Closure Date to be determined by the Board of Directors."

The total number of votes cast was 134,417,850. The number of votes cast "FOR" was 133,707,259, representing 99.47% of the total votes cast. The number of votes cast "AGAINST" was 710,591, representing 0.53% of the total votes cast. The resolution was accordingly declared as not carried by a majority vote.

There being no other business, the Chairman declared the Meeting closed at 4.53 p.m.

Certified correct by Mr Low Beng Tin, Chairman of the Company.

APPENDIX A – ATTENDANCE LISTS OF DIRECTORS, SHAREHOLDERS AND PROXIES

[REDACTED]

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

[REDACTED]

APPENDIX C – PRESENTATION BY CEO

PRESENTATION BY CEO

A large, solid dark blue shape that starts from the bottom left corner and extends diagonally upwards towards the right, covering the bottom half of the slide.

DISCLAIMER

This presentation does not constitute, or form any part of any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities in Datapulse Technology Limited (“Datapulse” or the “Company”) in Singapore or any other jurisdiction nor shall it or any part of it form the basis of, or be relied on in connection with, any investment decision, contract or commitment whatsoever in this or any jurisdiction. This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. You are cautioned not to place undue reliance on these forward-looking statements, if any, which are based on the current view of management on future events. The information contained in this presentation has not been independently verified. No representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Neither Datapulse or any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this presentation. The past performance of Datapulse is not indicative future performance. The value of shares in Datapulse (“Shares”) and the income derived from them may fall as well as rise. Shares are not obligations of, deposits in, or guaranteed by, Datapulse or any of its affiliates. An investment in Shares is subject to investment risks, including the possible loss of the principal amount invested.



KEY ISSUES

- Circumstances surrounding the Wayco acquisition
- Independence and governance of the Board
- Competence of the Existing Directors
- Dividend quantum
- Outlook and business direction



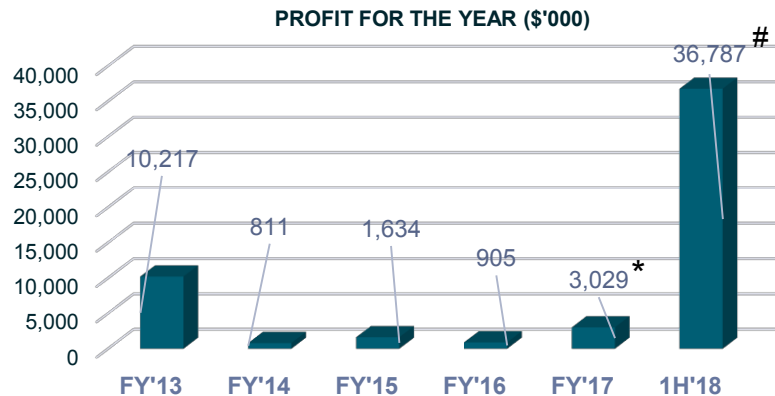
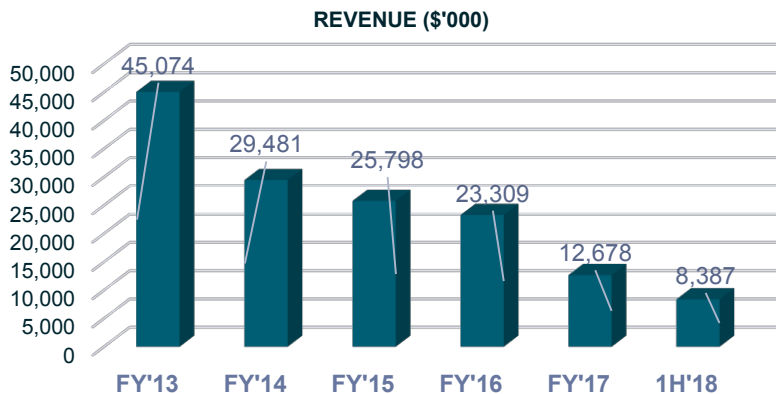
ENHANCING SHAREHOLDER VALUE

- Dividends are not the only form of shareholder return
- Wayco has opportunity to be nurtured and expanded as a platform into the hair care/ personal care business (high margin and high growth)
- CEO has already unveiled an overview of the growth strategy – geographical expansion, value chain enhancement and supply chain management, etc
- Buyback clause for Wayco (exercisable by Dec 14 2018) is strong protection for all shareholders
- Besides Wayco the Company is also diversifying into the investment/property businesses
- Board is committed to deliver sustainable value to all shareholders



FINANCIAL HIGHLIGHTS

- Current core business of media storage products offers limited growth prospects amid more challenging operating conditions
- Financial performance has deteriorated in recent years



- *FY'17 loss of **S\$2.6m** from continuing operations; above chart reflects one-off profit from discontinued operations of **S\$5.6m**
- # 1H'18 loss before tax of **S\$7.4m** excluding a gain on sale of property of **S\$44.6m**
- Results from operations from Wayco's business did not contribute to any such loss



PROPOSED REMOVAL OF EXISTING DIRECTORS (Reso 1 – 4)

The following Existing Directors, whom the requisitionists have proposed to remove, are experienced in various sectors:

- **Low Beng Tin** (General Corporate/Commercial/Industry Experience) MBA (Chinese Program), NUS
- **Thomas Ng Der Sian** (Corporate Finance and Audit/Accounting) Bachelor of Accountancy, NTU
- **Rainer Teo Jia Kai** (Fund/Asset Management) Master in Applied Finance, Monash Business School
- **Wilson Teng Wai Leung** (Sales Management and Strategy) MBA, California State University

The Existing Directors are confident of implementing the proposed business diversification provided most of the Board remains in office.



BOARD'S VIEW OF PROPOSED REMOVAL

- The media storage business has deteriorated for several years; previous Board had already decided to sell Tai Seng Drive factory and cease manufacturing activities before New Board stepped in
- Sequence of events meant the New Board had to decide quickly; stands by merits of Wayco acquisition, supported by EY's strategic review, sufficient protection through buyback arrangement
- Minimal potential conflicts of interest between New Board members and Ms Ng Siew Hong
- Directors exercise independent business judgement
- The New Board has commissioned an internal control review by Lee & Lee relating to circumstances to Wayco acquisition, board appointments and nominations, how to improve internal controls and corporate governance practices; and will adopt any recommendations made
- The New Board remains committed to highest levels of transparency and good governance



PROPOSED APPOINTMENT OF NEW DIRECTORS (Reso 5 – 8)

- **Ng Boon Yew** (former Independent Non-Executive Director of Datapulse from Sept 2001– Jul 2013; Chairman of Raffles Campus Pte Ltd)
- **Loo Cheng Guan** (proposed Independent Director)
- **Ng Bie Tjin @ Djuniarti Intan** (former Executive Director and Finance Director of Datapulse until Nov 2014; controlling shareholder; daughter of Datapulse's co-founder and former chairman)
- **Koh Wee Seng** (proposed Independent Director; Chief Executive Officer of Aspial Corporation Ltd., where Ms Intan Ng is an Independent Director)



BOARD'S VIEWS ON PROPOSED NEW DIRECTORS

- Potential issues relating to Ms Intan Ng's character, integrity and competence to act as Executive or Non-Executive Director
- Poor investment track record of previous Directors, eg. investment in Raffles Campus
- Questionable degree of independence between Mr Ng Boon Yew, Mr Koh Wee Seng and Ms Intan Ng
- No identified strategy for Datapulse's business direction and future plans
- Further information on the Board's view of the Proposed New Directors disclosed on 27 March 2018 (Appendix A)



PROPOSED BUSINESS DIVERSIFICATION (Reso 9)

- Proposed diversification into consumer and investment business
- Proposed re-exploring property business
- The proposed business diversification is in the interests of the company and shareholder
 - It will reduce reliance on the currently dormant media storage products business and provide flexibility to enter into transactions relating to such new businesses
- The diversification is subject to the Board adopting all recommendations proposed by the Independent Professionals (Lee & Lee) on improvements to internal controls and corporate governance practices
- Mr Wilson Teng, appointed on 19 March 2018 as CEO, has extensive sales management and strategy experience, cultivating and managing business and sales management teams that focused on addressing new markets



Safeguards in Respect of the Proposed Consumer Business, the Proposed Investment Business and the Proposed Property Business

A) Notification to SGX

SGX has required the Company to notify the Exchange in advance of any possible acquisitions involving Mr. Ang Kong Meng.

B) Enhanced Internal Controls

The expansion and diversification of the core business(es) of the Group to include the Proposed Consumer Business and the Proposed Investment Business and any acquisition or investment in relation to the Proposed Property Business are subject to the Company adopting the recommendations set out in the Internal Controls Review.



Safeguards in Respect of the Proposed Consumer Business, the Proposed Investment Business and the Proposed Property Business

C) Shareholders Approval

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");



Safeguards in Respect of the Proposed Consumer Business, the Proposed Investment Business and the Proposed Property Business

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”).



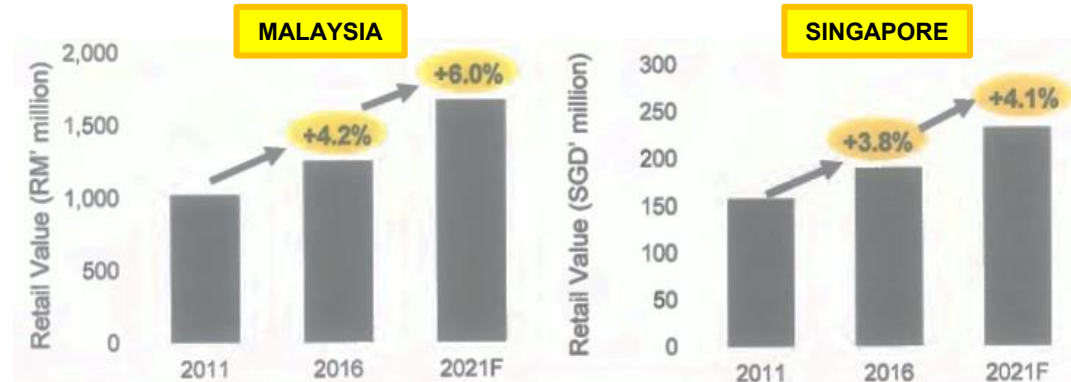
BENCHMARKING OF WAYCO'S BUSINESS (EY DATA)



Competitors	Brands	Market Size
Unilever (M) Holdings Sdn Bhd	Sunsilk, Brylcreem Clear, Dove	27.8%
Wipro Unza (M) Sdn Bhd	Elite, Safi, Gervenne	4.0%
Tohtonku Sdn Bhd	Follow Me	1.5%
Wayco Trading (M) Sdn Bhd	Goodlook, Glorin, Creatic, Seleein	0.03%
L'Oreal (S) Pte Ltd	L'Oreal, Elseve	17.5%
Tohtonku (S) Pte Ltd	Follow Me, Silkpro	3.5%
Way Company Pte Ltd	Goodlook, Glorin, Creatic, Seleein	1.5%

- Hair care in Malaysia** has been experiencing constant and steady growth from 2011 to 2016 at a CAGR of 4.2%. It is expected to grow at a higher CAGR of 6% to reach RM 1.7 billion in 2021.
- Hair care in Singapore** is experiencing lower growth than Malaysia. It recorded a CAGR of 3.8% from 2011 to 2016, and is expected to grow at a CAGR of 4.1% to reach S\$0.23 billion in 2021.
- Way Company Pte. Ltd.** is within the top 10 companies in the hair care market in Singapore in 2015

Source : Euromonitor, EY Analysis





STRATEGIC REVIEW ON THE HAIR CARE BUSINESS

- To evaluate possible options for Wayco to develop sales and distribution capabilities in mid to long-term
- Review will help Company decide whether to independently develop sales and distribution channels of its own or take over existing channels through acquisition of Way Company and/or Way Trading
- Review shows that Wayco is profitable; used to be manufacturing arm of Way Company and Way Trading, has potential to improve business viability if it develops its distribution capabilities and suite of brands assets and products
- For longer-term sustainability, Wayco must shift from standalone manufacturing business to one with distribution capabilities and multiple brands and products to transform into a value chain play; may take advantage of the expected growth in the hair care market to do so

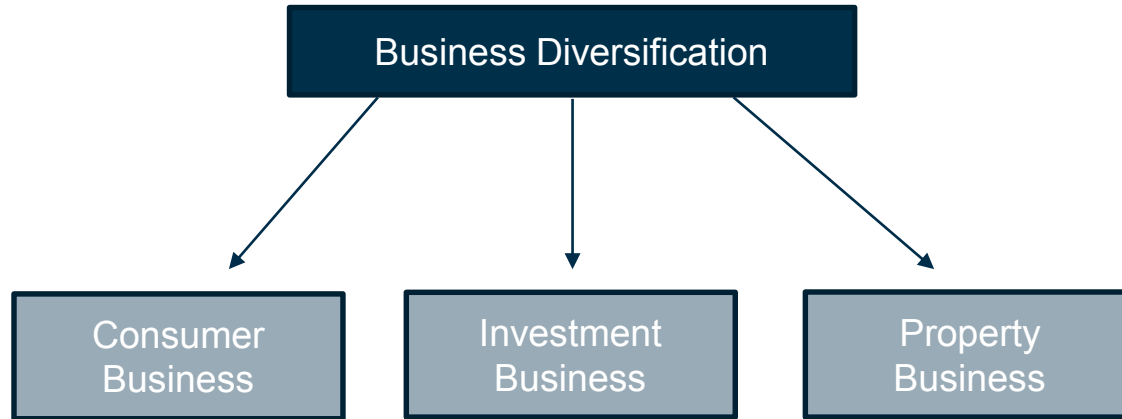


BUYBACK UNDERTAKING (ANNOUNCED 15 DEC 2017)

- Datapulse has the right to require the Vendor to buy back 100% of Wayco at the same effective consideration paid
- Should Datapulse discovers any material adverse matters pertaining to Wayco's business which were not known as at the date of the agreement, it has the right to exercise the Buyback Undertaking by 14 December 2018
- Effectively gives Datapulse the opportunity to continue due diligence investigations into Wayco post-completion of the acquisition for up to 12 months
- Board stands by its decision to acquire Wayco and the merits of the acquisition



DIVERSIFICATION



PROPOSED CONSUMER BUSINESS

- Wayco, which owns the Goodlook leaf trademark, manufactures 71 products spanning six core brands distributed in Singapore and Malaysia under the Way Company
- Assuming Shareholders approve the Proposed Business Diversification, the Board intends to transform Wayco into a value chain play in the hair care market, inter alia, through a multi-product, multi-brand strategy and expanding into manufacturing and distribution business
- As part of a 100-day action plan, the Board will prioritise existing product portfolio to maintain only the strongest products before considering new products
- Wayco is the manufacturing arm of the troika Wayco group of companies that operate the remaining sales and distribution networks
- The Asia Pacific hair care market is projected to attain CAGR of 2.5% Y-o-Y to US\$25 billion by 2020, with Malaysia expected to grow at CAGR of 6% to reach RM1.7 billion by 2021



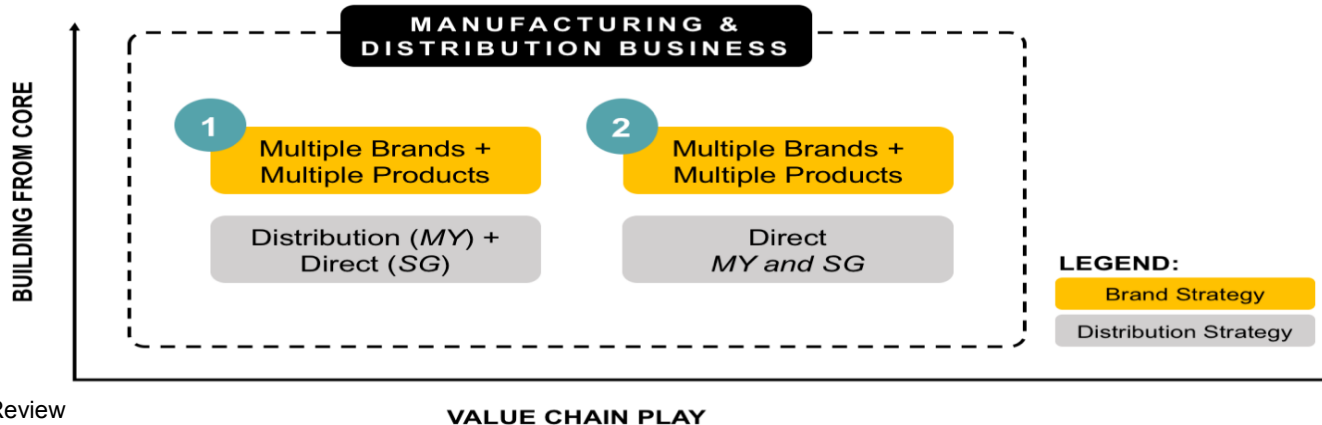
PROPOSED CONSUMER BUSINESS

- Undertakings to include all manufacturing, production, assembly, packaging, storage, sales, marketing, distribution, research and development, design or formulation or licensing for the following products:
- **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
- **Personal care products** such as skin care, cosmetic, beauty and body products, including facial and body cleansers, shower gel, soaps, lotions, creams, moisturisers, deodorants and hygiene products
- **Household cleaning and maintenance products** such as floor cleaners, detergents, dishwashing, laundry and other household or home care products
- The profitable Wayco business manufactures hair care, personal care and household chemical products with the opportunity to develop into a regional brand for the fast-growing personal grooming sector



100-DAY BUSINESS PLAN

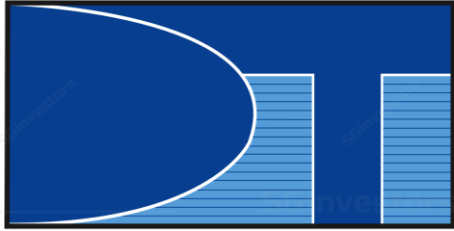
- Taking into consideration the EY review, and assuming the Proposed Business Diversification is approved at the EGM and after the adoption of the recommendations of the Internal Controls Review by the Company, the Board intends to transform Wayco into a value chain play through:
- **Multi-product, multi-brand strategy**
 - Expand portfolio of hair care Develop or acquire new proprietary brands
 - products to include hair shampoo and hair conditioner in addition to hair styling products
 - Increase market share in Malaysia for proprietary brand products
- **Manufacturing and distribution business**
 - Expand into manufacturing and distribution business to benefit from higher gross margins



PROPOSED SPECIAL DIVIDEND (Reso 10)

- Announced on 24 January 2018, the proposed distribution of a one-tier tax-exempt special cash dividend of S\$0.01 per share
- Special dividend proposed after sale of Tai Seng factory was completed on 31 January 2018; gain on disposal of S\$44.6 million which was recognised in 2Q FY2018





DATAPULSE TECHNOLOGY

THANK YOU

APPENDIX D - QUESTION AND ANSWER SESSION

Dividends / purchase of shares by Ms Ng Siew Hong ("Ms Ng")

A shareholder (speaking in Mandarin) expressed unhappiness with the amount of dividends which had been proposed to be given to shareholders, noting that the payout of approximately S\$2 million was only a small fraction of the sale proceeds received, by the Company, from the sale of the Tai Seng Drive property and questioned why the Board cannot give a dividend of 20 cents per share.

The shareholder questioned the Board's decision to diversify into hair care business, as opposed to other businesses, and the CEO's experience in that area.

The shareholder also expressed unhappiness with Ms Ng's purchase of shares, from Mr Ng Cheow Chye, at a significant premium and her purported message to shareholders telling them to sell their shares to the market when the share price was high.

The shareholder raised further topics, including questioning the Chairman's sale of shares, to Ms Ng, and the previous regulatory actions which he was involved in.

The shareholder stepped aside after requests were made by other Shareholders present so that others would have the chance to speak.

Buyback Undertaking

A Shareholder asked what were the KPIs the Company had set, for itself, to decide when to invoke the Buyback Undertaking. He also asked if the Vendor had provided any form of guarantee to ensure that they are able to buy back Wayco if the Buyback Undertaking is exercised.

Adding to that question, Professor Mak opined that the Board had thus far been vague in talking about what may be the possible circumstances of material adverse findings that could trigger the exercise of the Buyback Undertaking. He then asked the Board to elaborate on that.

As an example, Professor Mak referred the Board to his earlier articles regarding the trademark descriptions found on the product labels manufactured by Wayco, which, to him, may be a case of product misrepresentation. He asked if the Board would consider this an issue which may necessitate the exercise of the Buyback Undertaking.

Mr Thomas Ng ("**Mr Ng**") took the floor to answer the queries. Mr Ng informed Professor Mak that the Buyback Undertaking was something that had been drafted by the lawyers, agreed to by the Vendor, and so was a legally binding document that can be enforced.

Mr Ng went on to tell Shareholders that the Company had a strategic advantage in this transaction considering that, amongst the Wayco group of companies, Wayco could be said to be the heartbeat and the life of the group, since it owns the proprietary formulae and is responsible for manufacturing, whilst the other two companies have to rely on Wayco's products for its sales.

While Mr Ng acknowledged that Wayco's profitability was not high, he pointed out that this was due to the historical segregation amongst the Wayco group of companies, and since the profitability level was much higher, as a group, there would be a lot of potential for growth.

Also, Mr. Ng believed that, because of the said strategic advantage, it would give the Company an edge in that the Vendor will be very keen to take Wayco back in the event the Company wants to exercise the Buyback Undertaking.

Coming back to answer Professor Mak's query on what may constitute material adverse findings to trigger the exercise of the Buyback Undertaking, Mr Ng said that the Board will consider exercising the Buyback Undertaking if there are findings to suggest that Wayco's value is worth less than the approximate S\$3.5 million the Company spent to buy Wayco.

Elaborating further on this (and also later in the Meeting), Mr Ng said that since approximately S\$1 million of the purchase price was attributable to intangibles like the proprietary formula, trademarks, and the potential of the business, issues relating to the trademarks or proprietary formulae, as well as other factors, which is stated in Section 10.4 of the Circular, would be grounds for the Company to trigger the Buyback Undertaking. In this connection, he expressed that the Group's business in Singapore was profitable, and the board was of the view that there is a lot of potential in Malaysia; which is a much bigger market than Singapore.

On the question of trademarks posed by Professor Mak earlier, Mr Ng clarified that there was no change in the Company's understanding that all trademarks in respect of products manufactured by Wayco were owned within the Wayco group of companies. Nevertheless, the Company will look into that issue as part of its ongoing post-acquisition due diligence investigations into Wayco, and its business, and if the effect of it would have caused losses to Wayco, or for Wayco to be worth less than S\$3.5 million; which may then trigger the Buyback Undertaking.

Wayco Acquisition

Professor Mak responded by noting that EY has pointed out in its strategic review that Wayco's business is not sustainable unless a significant amount of capital expenditure were expended for the business. He questioned if the Buyback Undertaking may be advantageous to the Company if, for instance, the Company were to incur significant capital expenditure to develop Wayco's business before deciding to exercise the Buyback Undertaking.

Professor Mak added that while he was not an expert on the hair care industry, it appeared there were various factors, including projected small market share, excess capacity, old equipment, unused trademarks, which suggested that the issue facing Wayco is a demand problem and not a supply problem.

In response to the earlier point made, about the need for capital expenditure ("**capex**"), the CEO said that given Wayco's current 30% capacity utilization, the company may not actually need to put in more capex investment if it does not want to, at least within the year, since the company will still have capacity to accommodate increased production and can expand further if it wants to, later on, in terms of capex to include more brands and products.

A shareholder subsequently referred back to a point made earlier, by Mr Ng, questioning if Wayco's dependency on Way Company and Way Trading (M) Sdn Bhd ("**Way Trading**") as its key customers meant that it would be more difficult for Wayco to negotiate for better profit margins with such parties. He also repeated concerns raised earlier, by another shareholder, on how to ensure that the Vendor had sufficient unencumbered assets to meet its purchase obligation under the Buyback Undertaking and asked if there was a risk that the goodwill arising from the Wayco acquisition may be impaired in future.

Mr Ng responded by reiterating his points, namely, that the Company enjoyed a strategic leverage in this structure, there was potential in the business, the Buyback Undertaking gives the Company an opportunity to return the business to the Vendor, and during this period, Datapulse gets a subsidiary with a profitable functioning business. He added that, as far as credit worthiness was concerned, the Board had done its assessment and believed that the shareholder of the Vendor, being a practising accountant, was credible and would be able to honour the Buyback Undertaking.

The CEO weighed in on the dependency issue, stating that Way Company and Way Trading can be considered as a form of distribution channel and acquiring Wayco, with its manufacturing base and ownership of trademarks, gives the Company leverage to do more, not just purely in Singapore, but in Malaysia and beyond, whether directly or by distribution.

In response to a comment, from a proxy for a Shareholder that the 100-day plan proposed by the CEO appeared to require a lot of commitment within a short period of time, the CEO clarified that his intention is to review the business and propose initiatives on plans to be submitted to the Board for review, and approval, rather than the full execution of such plans within such period.

The proxy continued by asking if the Board had a plan on how much of the Company's cash reserves would be used for the hair care business and questioned why the Board was seeking Shareholders' approval only after completing the acquisition.

An exchange ensued between him and Mr Ng as to:-

- (i) whether the Company has a right to sell back Wayco to the Vendor should the proposed business diversification not be approved by Shareholders, with the former noting that most of the circumstances listed in Section 10.4 of the Circular were title-related and did not appear to provide for the Company to have a right to return Wayco to the Vendor should the proposed business diversification not be approved by Shareholders, to which Mr Ng responded that both the buy and sell side would likely be motivated to unwind the transaction in such situation;
- (ii) whether the Company has been funding Wayco since its acquisition, with the former noting that the strategic review had indicated that a lot of money was needed to make the business viable, and questioning if the Company had indeed not put a cent into the business for the 4 to 5 months period. Mr Ng confirmed that the Company had not, and Wayco has been operating on its own resources, pending obtaining of a mandate from shareholders at the meeting.

In response to a query on the status of the financial and tax due diligence being carried out by Ernst & Young on Wayco, Mr Ng stated that it had just been recently completed. Mr Ng further stated that the Board will be following up on the results of their findings but did not currently consider there to be material adverse findings arising from the due diligence which will affect the valuation or assumptions made in the Wayco acquisition.

Responding to a query, from a proxy for a shareholder, on when Lee & Lee will finish their internal controls review, the Company Secretary clarified that Lee & Lee is supposed to complete the internal controls review, within 60 days, with the scope of the internal controls review required by the Exchange to be completed within 30 days. The proxy further queried on whether voting on the proposed business diversification should be deferred until the Lee & Lee report is ready.

Another Shareholder stepped up, at this juncture, to state his view that since the acquisition has been done, the Board should be given some time to produce results.

Coming back to the earlier queries raised, about the timing and the manner of the Wayco acquisition, the Company Secretary clarified that, as the Wayco acquisition was not considered a major acquisition or an interested person transaction under the listing rules, there was no requirement for the Company to seek Shareholders' approval before entering into or completing the Wayco acquisition.

She further clarified that even if Shareholders were to approve the proposed business diversification in the Meeting that day, the Company will not be proceeding to implement any plan on such diversification until the internal controls review by Lee & Lee is completed and the Company has adopted whatever recommendations that Lee & Lee may give in relation to improvements to internal controls and corporate governance practices.

A proxy for a Shareholder noted, as disclosed in the Circular, that the funds arising from the disposal of the Tai Seng Drive property has been placed in a designated account which the Audit Committee is supposed to be responsible for. He asked, assuming the resolution for the proposed business diversification were to be passed, if the Audit Committee can commit to give a monthly report on any monies which are to be spent on the new business(es). Mr Wilson Teng responded by stating that the Board will duly take note of the suggestion and added that there are also other safeguards in place for such purpose.

The said proxy further asked what the relevant percentage thresholds computed were, under the listing rules, for the Wayco acquisition and the Company Secretary informed him that it was less than 5% (which meant that the acquisition was not a transaction requiring disclosure or shareholders' approval under Chapter 10 of the Listing Manual).

He followed up on his query by asking if that was computed on the basis of the purchase consideration of approximately S\$3.4 million and stated that if the Board was going to buy a company that needed more money to be pumped in, it should have considered the further capital expenditure or funding that would be required and computed the relevant percentage thresholds accordingly.

Another proxy for a Shareholder added that considering that the Company would have recorded a loss but for the extraordinary gain from discontinued operations, the relevant figures would be negative if computed based on such loss, and, in such situation, the Exchange would need to be consulted on the Wayco acquisition.

A further exchange ensued between Mr Ng and the two proxies regarding the valuation obtained on the properties, owned by Wayco, with questions being raised about the independence of the valuers when they were paid for by the Vendor, despite their credentials, and the question of whether the Board had done sufficient due diligence was again raised, to which Mr Ng reiterated the Board's rationale for undertaking the acquisition in the manner which it did, including the fact that it was mainly an asset-backed purchase, there was some pre-acquisition due diligence works done, including review of financials and background checks, and the availability of the Buyback Undertaking.

Queries raised relating to Ms Ng Siew Hong/CEO

Another Shareholder interrupted, at this juncture, to state his view that the crux of the matter lies with Ms Ng having chosen to buy shares at a significant premium. He directed his query to Ms Ng as regards her intentions in doing so.

The Chairman stated that, while Ms Ng was present at the meeting, it was entirely her prerogative whether to respond to the Shareholder's query and since she had declined to comment, the meeting should proceed.

In response to a query from another Shareholder, the CEO clarified that he had disclosed to the Board his appointment as an Independent Director of another listed company and the Board had no objection to him taking on such role since it was a non-executive role and would not take up too much of his time.

Proposed Investment Business and Proposed Property Business

Changing the topic, Professor Mak turned to the Board's proposal to diversify into the property and investment business and commented that there is considerable research that show that fund managers do not necessarily turn in a good performance for their funds, and a company that is too diversified may in fact suffer from a discount. He questioned why the Company should use Shareholders' monies to venture into the investment business or the property business when Shareholders could do that themselves.

Responding to the questions, the Chairman said that the Board has yet to engage in detailed discussions or specific plans for the proposed investment business, and/or the proposed property business, adding that the Company does have various alternatives, or options to choose from, looking at the overall business diversification plan.

Existing Directors

A Shareholder asked Mr Wilson Teng to revisit one of the slides presented, by him, earlier, which show the curriculum vitae of the Existing Directors.

He questioned if Mr Wilson Teng had confidence in the credibility of the rest of the Board and Mr Wilson Teng answered positively. The Shareholder voiced his disagreement. He went on to express his dissatisfaction with how the Board made the Wayco acquisition shortly after being appointed, to office, and that the Exchange had issued two notices of compliance against the Company during their tenure in office.

He further questioned why the Board did not raise objections but appointed Lee & Lee, in place of RHTLaw Taylor Wessing ("**RHTLaw**"), when directed by the Exchange. When the CEO tried to explain the rationale for Lee & Lee's appointment, the Shareholder reminded the CEO that he has not been appointed when that occurred.

Joining in the discussion, Professor Mak pointed out that he was the one who had posted an article on his website mentioning about the relationship between RHTLaw and Mr Low Beng Tin. He further mentioned that, apart from such relationship existing in OEL Holdings Limited (a.k.a.

Oakwell Engineering Limited) (“OEL”), a similar relationship applied in relation to China Yongsheng Limited as RHT Capital Pte Ltd (“RHT Capital”) was the continuing sponsor of China Yongsheng Limited.

The Company Secretary clarified that the relationship in question was not between RHTLaw and Mr Low Beng Tin but between RHT Capital, an affiliate of RHTLaw, and Mr Low and it is RHT Capital that is the continuing sponsor of OEL that Mr Low Beng Tin used to be chairman and managing director. That relationship is a historical since Mr Low is no longer with OEL.

The Chairman also clarified that he did not have direct dealings with either Mr Tan Chong Huat or the team from RHT Capital, at the material time, as the interaction was done mainly between his chief financial controller, and members of the RHT Capital team, and Mr Tan Chong Huat was also not directly involved in the engagement.

The same Shareholder who spoke, before Professional Mak, reiterated that the Board should have defended itself on the appointment of RHTLaw if it was indeed of the view that there were grounds to defend itself.

There were objections, from the floor, when the Chairman and the CEO indicated that the Board could only take one last question due to time constraints. Exchanges between Shareholders and the panel ensued and one Shareholder (speaking in Mandarin) indicated support for the Wayco acquisition with others objecting.

Questions (in Mandarin) were again raised on why the Company was not prepared to pay dividends to Shareholders and Ms Ng’s purported call for Shareholders to sell their shares which depressed the price, and the suitability of the CEO since he came from Hong Kong.

Taking a question from a Shareholder on how sustainable is it for the Company to compete against bigger, more established players, the CEO said that from an overall market perspective, just elaborating on Singapore and Malaysia, the big 4 players constitute about 60% of the entire hair care business, including hair gel, hair mousse and other hair styling products, and there is potential for developing the Goodlook brand into other product areas, such as shampoos and cosmetics, and, being a mass market product, to appeal to various segments of the market, and it was better, from a profitability standpoint, to have manufacturing and distribution capabilities, rather than manufacturing alone.

In response to a request from some Shareholders to give an opportunity to the proposed Board to express their views before voting commenced on Resolutions 1 to 4, the Chairman agreed and passed the floor over to Ms Ng Bie Tjin @Djuniarti Intan (“**Ms Intan Ng**”).

Ms Intan Ng started off by stating that following her departure from the Company, she and Uniseraya Holdings Pte Ltd have been passive shareholders, and, if possible, she would have preferred not to become a proposed new director. She further elaborated that the other three proposed new directors have considerable experience and have no financial interests in this matter.

Ms Intan Ng also touched on her proposal to declare an interim dividend. She stated that there was no need to set aside the entire S\$84 million for a business diversification, as returning S\$44 million to Shareholders out of the S\$84 million would still leave the Company in a healthy cash situation. She indicated that there was still time to consider the mode of business diversification, and if the new business requires more capital, the Company can raise additional capital if necessary, and any resulting dilution can be reduced, for instance, if shareholders use the money that has been distributed to them to reinvest in the Company’s new business.

Ms Ng proceeded to acknowledge that a capital reduction exercise would require the approval of the requisite Shareholders and may not be approved if Ms Ng Siew Hong were to vote against it. The new Board may also not be able to find a suitable business to invest the cash. She concluded by pointing out, even if the new Board were to be appointed, that their tenure in office may be short if, for instance, they were not to be re-appointed at the annual general meeting which is coming up in November 2018; in which case their stay is only long enough for the \$44 million dividend. She then invited Mr Ng Boon Yew to speak to the floor.

Mr Ng Boon Yew read from a prepared script for his statement relating to, inter alia, Raffles Campus Pte Ltd ("**Raffles Campus**"), a copy of such statement being attached as Appendix E and deemed incorporated by reference into these minutes.

A Shareholder then stood up to pose the following questions to Ms Intan Ng and Mr Ng Boon Yew respectively:

For Ms Intan Ng: In relation to the letter of apology, which she had previously issued to a fellow director Mr Ng Cheow Chye, Ms. Intan Ng was asked to explain to Shareholders what the apology was about and why was the apology needed in the first place.

The Shareholder went on to say, from what he had read, it appeared that Ms. Intan Ng's letter of apology related to (i) her insufficient knowledge or misreading of financial records of the Company including the status of certain dividends that were declared or paid by the Company and (ii) her inability to maintain proper accounting records and lack of competence as a finance director. As these were all pretty serious allegations, going to the root of Ms Intan Ng's capability to act as Finance Director, the Shareholder invited Ms Intan Ng to defend or address the particular allegation in question.

For Mr Ng Boon Yew: In relation to Raffles Campus, the Shareholder requested explanation or clarification why did the Company not want to subscribe for the additional rights issue of preference shares, while Mr Ng Boon Yew did, at S\$0.01 per share? The Shareholder also queried why did Mr Ng Boon Yew subscribed for the said shares at S\$1million on 22 November 2005, but only paid S\$500,000 in cash for them on the same day, and, more importantly, whether it was mere coincidence that he settled the remaining \$500,000 payment due in February 2006; just before the disposal of 100% Raffles Campus to Emaar Education LLC, giving rise to over S\$2 million profit for Mr Ng Boon Yew?

The Chairman interjected, at that juncture, and stated that due to time constraints, the Meeting had to proceed with voting without further opportunity for Q&A.

As for the matters raised in Mr Ng Boon Yew's statement, the Chairman firstly said that it needed some time to respond as the Board had just received Mr Ng Boon Yew's statement on the Meeting day. The Chairman, however, clarified that all the issues which the Board had raised in relation to the proposed new directors were based either on the statutory records of the Company or publicly available information.

For example, on the 2005 rights issue of preference shares, which Mr Ng Boon Yew said he had to underwrite as no shareholders subscribed for it, the available statutory records of the Company did not show whether or not the Company had been offered the rights issue and, if so, the reasons why it did not want to take it up. The Board had, therefore, raised that point for clarifications.

The Chairman also said that Mr Ng Boon Yew's statement, and other relevant documents which the Company has relating to Raffles Campus will be given to Lee & Lee for purposes of their internal controls review, and Shareholders will be updated once the results of such review is out.

With that, the Chairman brought the Q&A session to a close and proceeded to the voting process.

APPENDIX E – STATEMENT BY NG BOON YEW

For presentation at Datapulse EGM on 20 April 2018

Good afternoon, Mr Chairman, Board members and Shareholders of Datapulse.

I am Ng Boon Yew and I am one of the proposed directors whom you would be voting for at this meeting.

It has been almost 4 months since the first requisition was made to convene an EGM for the purpose of, inter alia, voting on the replacement of the current board with the 4 proposed directors of whom I am one of them.

In the next few minutes, I shall be responding to some of the allegations made by the board against me during these couple of months. I shall use the announcement made by the company on 16 April 2018 (the “**Announcement**”) (titled “Board’s Response to Mak Yuen Teen” (being the latest and perhaps one of the longest – it runs into 6 pages single spacing!) where the company attempted to respond to the various articles written by Prof Mak, many of which resulted from the various announcements and responses from the board itself.

I must confess that I have great difficulty catching up with all these announcements, many of which were either “clarifying”, “changing” or sometimes “adding further” information to previous announcements. In many instances, the board introduced numerous distractions which were totally irrelevant to the issues that caused this EGM to be requisitioned in the first instance. What is extremely troubling to all shareholders is that all these clearly demonstrated the manner and the governance process (including exercising due care and diligence) in which the current board went about addressing the critical issues confronting the company. Interestingly, the final paragraphs of the company’s latest announcement on 16 April 2018 contained the following:

“Much hullabaloo, and much ink has been spilled, since the Company set on its path of selling off its property and winding down its existing business and (on the back on that), the current Board has come in, made the Wayco acquisition, and proposed the proposed business diversification as the way forward for the Company.

It is unfortunate that so much time and resources has been expended on the part of various stakeholders, including regulators, during this period but from another perspective, this may not be a bad thing if Shareholders are now armed with a clearer understanding of the plans which the current Board and proposed new Board has for the Company, and to exercise their votes judiciously to decide which plan to support, at the forthcoming EGM."

I couldn't have agreed more with these statements! But I must reiterate that this is probably one of the very few paragraphs in the Announcement that I could agree with.

Now, back to what I wanted to share with you this afternoon. I do not intend to go back to all the earlier announcements (many of which were mere repetitions of the issues anyway) where questions were rather mischievously raised about my suitability (both in terms of my ability and of my independence) to be elected as an independent director pursuant to the requisition. I fully agree that the company is perfectly entitled to, and should, evaluate my suitability. The key question, however, is how the company (and hence the board) went about undertaking the evaluation? I would like to ask: Has the board done the evaluation in a fair, objective and professional manner? In this respect, it is also important to ask ourselves on how all the current board members were evaluated before they were appointed and whether they have themselves been evaluated in the same manner that I and the other proposed directors are being evaluated. I will leave this matter as it is since this issue has been more than adequately aired over the past few months.

Independence

On my independence, the board had, on more than one occasion, publicly announced that I have been, (and I quote): "conspicuously silent on the potential conflict of interest which may be involved in Datapulse's investment in and subsequent disposal of Raffles Campus" (unquote). The Board further announced and, (I quote): "While the current board is not aware of the full details of the terms or the process for those transactions, the fact that Datapulse made a paltry gain of \$100,000 on its investment of \$2m in Raffles Campus and Mr Ng Boon Yew apparently managed to make a significantly higher gain of close to \$2m on his own personal investment of less than \$2m, in the same disposal to a third party, gives food for

thought, and one would have thought that Mr Ng Boon Yew should come out to clarify and dispel any perception of potential conflicts of interest that may be involved". (Unquote)

On the one hand, the board said that it was not aware of the full details of the terms or the process for those transactions, and yet, on the other hand was able to hold the view that there was a potential conflict of interest. The board has therefore made these claims without having conducted the necessary due diligence to ascertain the full facts and yet expects me to clarify and dispel any perception of conflicts of interest. How ridiculous can this be? It is like, for example, I found out, after more than 10 years, that my laptop is missing from my office and that you were seen in my office around then, I decided to announce to the world that you may have taken my laptop and that I expect you to then clarify and dispel any perception of you having taken my laptop? Isn't this making a mockery out of the whole matter?

Take a moment to reflect on what I have just said. Look at the manner in which the board had gone about this matter. I guess it came as no surprise to us considering how the board had gone about making the various announcements in the past few months and on the manner and process in which the Wayco acquisition was made.

It is for this reason that I had decided not to entertain these innuendos, and twisted pictures painted by the board.

The key question therefore is this: Shouldn't the board have reviewed and looked into the full details and undertake such due diligence as is appropriate before putting pen to paper and making such statements? The fact that it did not begs the question as to what was the board's objective or motive for doing so and, more importantly, taking all the recent events into account, its ability to exercise due care and diligence in the affairs of the company.

In spite of all this, the board, in its 16 April announcement commented, and I quote, "much hullabaloo and much ink has been spilled....." and "it is unfortunate that so much time and resources have been expended.....". Again, shouldn't the board have asked, who started this hullabaloo in the first instance and who caused so much time and resources to be expended

(or perhaps I should say, wasted) before making these unverified comments in the various announcements?

The terms for Datapulse's investment in Raffles Campus and its subsequent disposal were fully furnished to Datapulse's board then and appropriate due diligence was carried out by the then management. As a declared interested party, I was very clear not to be involved in the discussion and approval of the investment, other than addressing any questions that the management and board may have put to me on the information furnished and on the operations of Raffles Campus to enable them to properly undertake its due diligence, evaluation and decision making.

To put this matter in perspective, full details were disclosed, appropriately considered and approved by the then board (with myself having been recused from the process). At that time, the board (excluding myself) consisted of 3 other independent directors (2 very prominent professionals - a lawyer and a practising accountant, and 1 senior corporate executive) and 6 non-independent directors (of whom 5 were executive and 1 non-executive). By making these allegations, is the current board insinuating that these 9 directors were incompetent and have failed in their duty when evaluating and deciding on the investment and disposal of Datapulse's interest in Raffles Campus? If not, shouldn't the current board have asked: Would the transactions have taken place if these directors were to object? I would also like to highlight that these directors were not appointed by me nor were they related to me in any way. Although this may be a moot point, I would raise it to clearly demonstrate the difference between the board which approved the Raffles Campus transactions and the board which approved the acquisition of Wayco.

Although the transactions took place more than 10 years ago, full and proper corporate governance process had been applied with the appropriate approval by the then board of directors with myself being recused from the investment discussion and approval process. In the interest of transparency, let me share briefly the pertinent information of this transaction:

- Datapulse's investment in Raffles Campus in 2004 was in the form of Convertible Preference Shares and NOT ordinary shares;

- 2 other venture capital funds (Green Dot and OWW) had also invested in Convertible Preference Shares in 2002, two years earlier;
- Raffles Campus made a Renounceable Rights offer at the par value of \$0.01 per share in September 2004 to all shareholders including Datapulse to raise S\$1million to partly fund a proposed acquisition. The Rights offer was fully underwritten by me. As none of the other shareholders accepted the offer, I had to subscribe to the full 100,000,000 rights shares at the offer price of S\$0.01.
- In 2006, Emaar proposed to acquire the whole of the shares of Raffles Campus. The consideration for Emaar's acquisition was established and proposed by Emaar and this was presented to all the shareholders (including Datapulse) for their consideration and agreement. In arriving at the consideration for the shares, I understand that Emaar had valued the Convertible Preference Shares on a basis similar to a loan because, firstly, these were preference shares and, secondly, the invested periods by each shareholder were relatively short and varied. Hence, the preference shares were valued based on the length of time the preference shares had been issued and held by the respective preference shareholders. Emaar also took into account the degree and extent of contribution by each of the preference shareholders in supporting and furthering the operations and strategy of Raffles Campus. These were all determined by Emaar and were in any event fully presented, in the case of Datapulse, to Datapulse board for consideration and approval. All the shareholders, including Green Dot and OWW (the venture capital funds) and Datapulse agreed to the basis and accepted the Emaar offer.

The current board, in raising this matter in the manner that it had done so is a mischievous attempt to question my independence on grounds of potential conflict of interest when this was clearly disclosed and taken into account by the then board and the approval of the then board was given. The approvals would have been minuted in the company's records.

The current board, in another attempt to question my independence drew attention to the fact that I had served "for more than 10 years (from 3 September 2001 to 31 July 2013)" and

that “under the 2012 Code of Corporate Governance, the independence of any director who has served for more than 9 years has to be subject to vigorous review”. Before making this comment, is the board insinuating that the then Nomination Committee had not undertaken a proper review? Had the board undertaken the review to establish this? In any event, it is important that I should highlight that I resigned from the board in July 2013 soon after the 2012 Code was issued. Again, did the board consider its relevance before making this statement?

Ability

The current board had also made a mischievous attempt to further discredit my ability by commenting of my track record as Executive Chairman of Raffles Campus. Once again, the current board had failed to adequately verify the facts before putting pen to paper. Not that this is surprising after what we have witnessed over the past few months, there are clear misleading and misrepresented statements made by the board. Let me highlight these.

- (1) Firstly, it mentioned that I am the controlling shareholder of Raffles Campus Pte Ltd. This is clearly erroneous with a clear intent to mislead. If only the board had carried out a simple ACRA search, it would have been able to establish that this is absolutely untrue. I do not hold any shares in Raffles Campus Pte Ltd.
- (2) Secondly, it mentioned that Raffles Campus Pte Ltd “ran into multi-million losses since incorporation” and that “the public records of Raffles Campus reveal this”. I would like to ask the board whether it did honestly verify the public records of Raffles Campus before making these statements. Did the board honestly believe that it was not making another untrue statement? I put it to the board that if it had done the verification, it would have been very clear to them that the statements were made without due regard to their truth or otherwise. Again, just for information, I would advise that ever since the financial period ended 31 July 2010, after Raffles Campus was disposed of by Emaar, Raffles Campus had generated profit in all but 2 of the 8 years to 31 July 2017. In the year ended 31 July 2017, it declared a dividend of \$1.25m. Would this have been possible if Raffles Campus Pte Ltd had “ran into multi-million losses since incorporation”?

(3) Thirdly, the board also represented that I had “caused a Middle East fund to take a massive write off”. Again, pardon me for sounding like a broken record, I would like to ask the board whether it had done the necessary verification before making this statement? I am not sure what information the board had in its possession for it to justify making such a statement because, if it had done so, it would have been clear to them that:

(a) There was no “Middle East fund” involved that had to take the massive write off; and

(b) The board had failed to look at the write off by Emaar in the proper overall context. The so called write off by Emaar was the goodwill that it had paid upon the acquisition of Raffles Campus in 2006 which Emaar had to do so upon its disposal of Raffles Campus. Again, just for information, if the board had done sufficient verification work, it would have realised that Raffles Campus was just a component within the Emaar Education Group and which itself was part of the overall Emaar Properties Group. Emaar had acquired Raffles Campus in the first instance in order that it may leverage on the reputation of Raffles Campus to kick-start and establish its education business in the MENA region. I can share with you that the education business was very successful. Emaar’s disposal of Raffles Campus was necessitated by the global financial crisis when Emaar decided to focus on its business in the MENA region and therefore exited from its various overseas operations and Raffles Campus was one of such overseas operations that Emaar as a group had decided to exit from.

Conclusion

In conclusion, I would like to reiterate the following points:

- (1) It is evident that the board had been mischievous and had made various statements (including statements intending to undermine my suitability) without exercising due care and diligence by failing to undertake even the simplest and basic verification work. Whether this is deliberate or otherwise, I would leave it with all of you as shareholders to make the judgement call.
- (2) It is also evident that it is of no surprise to us that this seems to be the modus operandi of the board in that it continued to make unverified statements which are misleading in an attempt to discredit not only myself but the other proposed directors as well.

(3) Finally, the board, in response to Prof Mak's comments on the questionable past transactions of Mr Low Beng Tin with Lian Beng Group (which took place very recently in 2016 and 2017) impacting on the independence of Mr Low, the board simply brush it off and has this to say:

"Whatever the merits (or otherwise) of such transactions, this was a transaction approved and undertaken before the current Board was appointed, and the board fails to see how it can be relevant in considering the suitability or otherwise of the current board, or at the least, it should have been clarified that it was the former board and management that was responsible for the transaction and nothing to do with the current board".

Yet, interestingly, the board felt that the transactions involving Raffles Campus which took place more than 10 years ago, and which were undertaken and approved by the previous board and management, was relevant in considering my independence. I wonder how could this makes sense. Do I sense some kind of double standards here? What is applicable to me must surely be applicable to Mr Low and the current board, shouldn't it be? What's fit for the goose, must surely be fit for the gander! And to top it off, the transactions involving Raffles Campus took place more than 10 years ago (where the current board had announced that it was not aware of the full details) whereas the transactions cited by Prof Mak took place within the past 2 years (and presumably the board would have full details of).

So, to all shareholders present here today, I have only this one statement to make – I rest my case (and reserve my rights) and the rest is up to all of you here today. Remember, you are not the minority. You are the majority minority, holding in aggregate 71% of the voting rights in Datapulse! Please exercise your rights to protect your interest and the interest of the company as a whole!

Thank you, Mr Chairman and shareholders, for your indulgence.

I would like to request that this presentation, a copy is hereby extended to the board, be posted onto SGXNET.