

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

**PROPOSED ACQUISITION OF AN INDUSTRIAL PROPERTY AT TOA PAYOH
– TERMINATION**

The board of directors (“**Directors**” or the “**Board**”) of Datapulse Technology Limited (“**Company**” together with its subsidiaries, “**Group**”) refers to the query from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 15 November 2017 regarding the termination of the proposed acquisition of an industrial property at Toa Payoh (the “**Toa Payoh Property**”) as announced on 14 November 2017.

All capitalised terms used and not defined herein shall have the same meanings given to them in the Circular dated 12 September 2017.

Query 1:

What are the implications, including any financial implications, to the termination of the Option to purchase of the Toa Payoh property?

Response:

Upon the grant of the option to purchase (the “**Option**”) on 4 August 2017, the Group had paid an option fee of \$112,350 (inclusive of GST) (the “**Option Fee**”) being 1% of the aggregate consideration of \$10,500,000 (“**Consideration**”). Upon exercise of the Option on 18 September 2017, the Group had paid a balance deposit of \$1,011,150 (inclusive of GST) (the “**Balance Deposit**”) being 9% of the Consideration.

Under the terms of the Option, if the approval for the change of use is refused by the relevant authorities, either party shall be at liberty to terminate the sale and purchase of the property. All monies paid shall be refunded. The Group’s solicitors had written to the vendor’s solicitors for the refund of \$1,123,500, being the Option Fee and Balance Deposit paid.

In addition, the Group had paid stamp duty of \$309,600 upon acceptance of the Option. Our solicitors will be arranging for the refund of the stamp duty paid from the Commissioner of Stamp Duties.

Query 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?

Response:

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.

BY ORDER OF THE BOARD

Lee Kam Seng
Chief Financial Officer and Company Secretary
18 November 2017