

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

**UPDATE ON CALLING OF EGM IN RELATION TO PROPOSED BUSINESS
DIVERSIFICATION AND PROPOSED CHANGE OF BOARD**

The board of directors (“**Board**”) of Datapulse Technology Limited (the “**Company**”) refers to the Company’s announcement of 1 February 2018. All capitalized terms used herein which are not defined shall bear the meanings ascribed to them in the said announcement.

Further to the 1 February 2018 announcement, the Company has received a letter dated 2 February 2018 (“**2 February Letter**”) and another letter dated 5 February 2018 (“**5 February Letter**”) from Uniseraya Holdings Pte Ltd and Ms Ng Bie Tjin @ Djuniarti Intan (“**Requisitionists**”) in relation to their requisition notice dated 26 December 2017 (“**Requisition Notice**”). A copy of the 2 February Letter and 5 February Letter is attached as Appendix A.

Validity of Requisition Notice

Section 176 of the Companies Act (Cap 50) gives members holding not less than 10% of the voting shares of a company to requisition for a meeting, *inter alia*, if such members (being the “requisitionists”) deposit a requisition notice, signed by the requisitionists, at the registered office of the Company.

The Requisition Notice was signed jointly by Uniseraya Holdings Pte Ltd and Ms Ng Bie Tjin @ Djuniarti Intan and represented that Uniseraya Holdings Pte Ltd held 33,733,33 shares and Ms Ng Bie Tjin @ Djuniarti Intan held 1,302,600 shares respectively as at the date of the Requisition Notice.

The Company understands that as a member, Uniseraya Holdings Pte Ltd only held 23,733,33 shares in its name, and Ms Ng Bie Tjin @ Djuniarti Intan was not even a member of the Company as at the date of the Requisition Notice.

The Requisitionists did not appear to have disputed this understanding in their letter of 29 January 2018 nor in the 2 February Letter and the 5 February Letter, but instead, merely pointed out that Uniseraya Holdings Pte Ltd on its own holds sufficient shares to call for an EGM under Section 176 of the Companies Act and appears to assert that the Requisition Notice should be considered valid on such basis.

Be that as it may, the Company is not legally obliged to go behind the face of the Requisition Notice to try to discern, or infer, what should, or could, have been a validly issued requisition notice.

As for the Requisitionists pointing to the Company’s announcement of 8 January 2018 in the 2 February Letter, as purported evidence of the Company having backtracked from its earlier indication of intending to hold the EGM for the proposed change of board by 26 February 2018, the Company was then under the impression that the Requisition Notice was validly issued. Subsequently, however, the Company wrote to the Requisitionists, on 12 January 2018, to seek clarifications when they realized the possible irregularities of their Requisition Notice.

Timing for calling of EGM for Change of Board and Business Diversification

As the Company has indicated in its announcement of 1 February 2018, notwithstanding the irregularities in the Requisition Notice, the Company intends to hold the Change of Board EGM as soon as practicable.

It is, however, not likely that the Change of Board EGM can be held by 26 February 2018 for, *inter alia*, the following reasons:

1. The Company intends to wait for the Strategic Review by Ernst and Young Solutions LLP (Please refer to the Company's announcement of 25 January 2018 for further details) to be completed before convening the Business Diversification EGM, so Shareholders will have the opportunity to consider the findings of such Strategic Review in connection with the Business Diversification EGM.
2. The Company has been corresponding with the Requisitionists to seek certain clarifications, and/or information, in relation to the individuals who were proposed to be appointed to the Board, with a view to sharing such clarifications, and/or information, with Shareholders in connection with the Change of Board EGM. Please see the section below entitled "Suitability of Proposed New Directors" for further details on the status of the foregoing.
3. With reference to the Requisitionists' query, in the 2 February Letter, on what "relevant clearance" may be required, under the listing rules, the circular relating to the Business Diversification EGM and the Change of Board EGM (including the notice for the convening of meeting) has to be cleared by the Exchange before it can be issued, and dispatched, to Shareholders. While the Company had submitted the required circular, in draft, to the Exchange for their clearance, the Company is not in a position to foresee when the clearance may be obtained.

Allegations by Requisitionists

The Board is deeply disturbed by the Requisitionists repeated allegations and baseless claims, against the Company, and the Board, which are either selective, misleading, false or inaccurate. To illustrate:

1. The Requisitionists alleged, in the 2 February Letter, that "the Board still has not responded to any of the questions in our letters dated 15, 19 and 29 January 2018 letters".

This is not true. The Company had sufficiently, and clearly, addressed the questions raised by the Requisitionists by way of their letter of 26 January 2018, announcements of 30 January 2018, 31 January 2018, and 1 February 2018. The Company has also written to the Requisitionists on 2 February 2018 (attached as Appendix B) to update them on the same.

In particular, the Requisitionists' alleged in the 5 February Letter that the Company has failed to answer certain queries that were raised, in their letter of 24 January 2018, in relation to the Company's existing business. That is not true as the Company has disclosed what is material to its existing business in the announcement of 31 January 2018.

The Board would also like to take this opportunity to reiterate that the steps taken to scale down the Company's manufacturing activities were initiated, and commenced, by the previous board of directors, and management, before the current Board's appointment.

2. The Requisitionists alleged, in the 2 February Letter, that the Company did not release their letter of 29 January 2018.

This is not true. The letter of 29 January 2018 was released together with the Company's announcement of 1 February 2018.

3. The Requisitionists also alleged, in the 2 February Letter, that their letters to the Board dated 15 and 19 January 2018 were released, on 26 January 2018, without response from the Board to the questions set out therein.

This is not true. The Company had responded to those letters by way of a letter dated 26 January 2018. The said letter was released together with the Requisitionists' letters, dated 15 and 19 January 2018, in the Company's announcement dated 26 January 2018.

4. The Requisitionists further alleged, in the 2 February Letter, that the Board "buried" the disclosure the Exchange required, in advance, in respect of any possible acquisitions involving Ang Kong Meng in the Company's announcement of 1 February 2018.

That allegation is misleading. The Company's announcement of 1 February 2018 was a single one-page document and the relevant disclosure was clearly set out in the penultimate paragraph of that page.

5. As for the request, by the Requisitionists, for the Board to disclose all communications between it and the Exchange, the Board has already disclosed what is material – that the Exchange has required the Company to notify it in advance of any possible acquisitions involving Mr. Ang Kong Meng.

Suitability of Proposed New Directors

6. As mentioned above, the Company has been corresponding with the Requisitionists to seek certain clarifications, and/or information, in relation to the individuals who were proposed to be appointed, to the Board, under the Requisition Notice.

The series of correspondence between the Company, and the Requisitionists, relating to the proposed appointment is attached as Appendix C; 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.

The purpose of engaging in the foregoing correspondence was for the Board to obtain further clarification, and/or information, on matters which would be of relevance, and material, in considering the suitability of the proposed individuals whom the Requisitionists had proposed for appointment to the Board. The proposed individuals are Ms Ng Bie Tjin @ Djuniarti Intan, Mr Ng Boon Yew, Mr Koh Wee Seng and Mr Loo Cheng Guan (the "**Proposed New Directors**").

Despite multiple overtures, to the Requisitionists, the Requisitionists have been evasive to the Company's queries, in particular, to the specific queries raised by the Company as following:

- (i) The circumstances leading to Ms Ng Bie Tjin @ Djuniarti Intan issuing a formal apology to the then Executive Director, Mr Ng Cheow Chye, and resigning from the Company shortly thereafter in 2014;
- (ii) The present, and historical, relationships or connections between Ms Ng Bie Tjin @ Djuniarti Intan, who will presumably be appointed to the Board as an Executive Director if she is appointed in due course, Mr Ng Boon Yew and Mr Koh Wee Seng, who are proposed to be appointed as independent Directors, of the Company, if appointed; and
- (iii) What are Ms Ng Bie Tjin @ Djuniarti Intan's proposal or suggestions for the Company's future business strategy and/or direction; and

took the position that the aforesaid queries are "*irrelevant and unrelated matters*" and "*if SGX has any concerns about any existing relationships between the nominees, it is for them to make the relevant queries*".

7. The Board is unable to comprehend how questions relating to the independence of the Proposed New Directors, who are intended to be appointed as Independent Directors if appointed, or their

character, integrity, and/or competence be issues that are irrelevant or unrelated when they were proposed for appointment as the Company's directors.

8. The Requisitionists' continued refusal, and reluctance, to answer the queries only invites the drawing of adverse inferences. The Company urges the Shareholders to note the aforesaid issues and raise the necessary queries at the EGM the Requisitionists had persisted to be convened by the Board.

BY ORDER OF THE BOARD

Lee Kam Seng
Interim CEO
7 February 2018