

ADDENDUM DATED 7 NOVEMBER 2023

THIS ADDENDUM IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY AND CONSIDER IT IN ITS ENTIRETY.

This Addendum is issued by Datapulse Technology Limited (the “**Company**”). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward this Addendum to the purchaser or the transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Addendum.



DATAPULSE
TECHNOLOGY

DATAPULSE TECHNOLOGY LIMITED

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

ADDENDUM TO NOTICE OF ANNUAL GENERAL MEETING

IN RELATION TO

THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

LETTER TO SHAREHOLDERS

DATAPULSE TECHNOLOGY LIMITED

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

Board of Directors:

Ang Kong Meng (*Chairman,
Non-Independent Non-Executive Director*)
Hor Siew Fu (*Lead Independent Director*)
Yap Ming Choo (*Independent Director*)
Yuen Pei Lur, Perry (*Independent Director*)

Registered Office:

10 Anson Road
#13-10 International Plaza
Singapore 079903

7 November 2023

To: The Shareholders of Datapulse Technology Limited

Dear Sir/Madam,

THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

1. INTRODUCTION

1.1 2023 AGM

We refer to the notice of the annual general meeting (“**AGM**”) of the Company dated 7 November 2023 (the “**Notice of 2023 AGM**”) convening the AGM to be held on Wednesday, 22 November 2023 at Metropolitan YMCA, 60 Stevens Road, Singapore 257854 (the “**2023 AGM**”), and in particular, the Ordinary Resolution No. 10 in relation to the proposed renewal of the Share Purchase Mandate (as defined hereinafter), as further elaborated in Section 2 below.

1.2 The Addendum

The purpose of this Addendum is to provide shareholders of the Company (“**Shareholders**”) with the relevant information relating to, and to seek Shareholders’ approval for, the Ordinary Resolution No. 10, as proposed in the Notice of 2023 AGM.

The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained, or opinions expressed in this Addendum.

Shareholders who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 Background

It is a requirement under the Companies Act 1967 of Singapore (the “**Companies Act**”) and the Listing Manual of the SGX-ST (the “**Listing Manual**”) that a company which wishes to purchase or otherwise acquire its own shares must obtain the approval of its shareholders to do so at a general meeting of its shareholders. In this regard, at the AGM of the Company

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held on 29 November 2022 (the “**2022 AGM**”), the Shareholders had approved the renewal of the general mandate to authorise the directors of the Company (the “**Directors**”) to exercise all the powers of the Company to purchase or otherwise acquire the issued ordinary shares of the Company (the “**Shares**”) upon and subject to the terms of such mandate (the “**Share Purchase Mandate**”). The rationale for, the authority and limitations on, and the financial effects of, the Share Purchase Mandate approved at the 2022 AGM were set out in the addendum to Notice of 2022 AGM dated 14 November 2022.

The Share Purchase Mandate was expressed to take effect on the date of the passing of the ordinary resolution relating thereto at the 2022 AGM and will expire on the date of the forthcoming 2023 AGM. Accordingly, Shareholders’ approval is being sought for the renewal of the Share Purchase Mandate at the 2023 AGM.

2.2 Rationale for the Share Purchase Mandate

The proposed Share Purchase Mandate will give the Directors the flexibility to purchase or acquire the Shares at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. The purchases or acquisitions of Shares (the “**Share Purchases**”) provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. Share Purchases will also allow the Directors greater flexibility over the Company’s share capital structure with a view to enhance the net tangible assets and/or earnings per Share.

The purchase or acquisition of Shares will only be undertaken if the Directors believe that such purchase or acquisition would benefit the Company and the Shareholders. No purchase or acquisition of Shares will be made in circumstances which the Directors believe would have or may have a material adverse effect on the financial condition, liquidity, orderly trading of the Shares, and/or the working capital requirements of the Company and the Group (comprising the Company and its subsidiaries).

2.3 Authority and Limits of the Share Purchase Mandate

The authority and limitations placed on the Share Purchases by the Company under the Share Purchase Mandate, if renewed at the 2023 AGM, are substantially the same as were previously approved by Shareholders at the 2022 AGM, and are summarised as follows:

(a) *Maximum Number of Shares*

Only Shares that are issued and fully paid-up may be purchased or acquired by the Company pursuant to the Share Purchase Mandate. The total number of Shares that may be purchased is limited to that number of Shares representing not more than ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings¹) as at the date of the resolution passed by Shareholders approving the renewal of the Share Purchase Mandate (the “**Approval Date**”), unless the Company has, at any time during the Relevant Period (as defined hereinafter), effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered.

¹ “**Subsidiary holdings**” is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.

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As at 26 October 2023 (the “**Latest Practicable Date**”), the Company had 829,600 treasury shares and no subsidiary holdings.

For illustrative purposes only, based on the existing issued and paid-up share capital of the Company as at the Latest Practicable Date of S\$35,015,521 comprising 239,627,912 Shares (excluding treasury shares and subsidiary holdings), and assuming that (i) no further Shares are issued, (ii) no Shares are purchased or acquired by the Company, and held as treasury shares, and (iii) no Shares are held as subsidiary holdings, on or prior to the 2023 AGM, not more than 23,962,791 Shares (representing ten per cent. (10%) of the issued Shares of the Company (excluding treasury shares and subsidiary holdings) as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

(b) *Duration of Authority*

Share Purchases pursuant to the Share Purchase Mandate may be made, at any time and from time to time, from the Approval Date up to the earliest of:

- (i) the conclusion of the next AGM or the date by which such AGM is required to be held;
- (ii) the date on which Share Purchases pursuant to the Share Purchase Mandate have been carried out to the full extent mandated; or
- (iii) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked by the Shareholders in a general meeting,

(the “**Relevant Period**”).

The Share Purchase Mandate may be renewed at each AGM or other general meeting of the Company. When seeking the approval of Shareholders for the renewal of the Share Purchase Mandate, the Company is required to disclose details pertaining to Share Purchases pursuant to the Share Purchase Mandate made during the previous twelve (12) months, including the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such Share Purchases, where relevant, the total consideration paid for such Share Purchases, and whether the Shares purchased or acquired will be cancelled or kept as treasury shares.

(c) *Manner of Share Purchase*

Share Purchases may be made by way of:

- (i) on-market purchase(s) transacted on the SGX-ST through the SGX-ST’s trading system or on another stock exchange on which Company’s equity securities are listed, through one or more duly licensed stockbrokers appointed by the Company for such purpose (the “**Market Purchases**”); and/or
- (ii) off-market purchase(s) in accordance with an equal access scheme as defined in Section 76C of the Companies Act (the “**Off-Market Purchases**”).

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The Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate, the Companies Act, the Listing Manual and the Constitution of the Company as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme(s).

An Off-Market Purchase must, however, satisfy all of the following conditions:

- (i) offers for the purchase or acquisition of issued Shares shall be made to every person who holds issued Shares to purchase or acquire the same percentage of their issued Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers are the same, except that there shall be disregarded:
 - (aa) differences in consideration attributable to the fact that offers relate to Shares with different accrued dividend entitlements;
 - (bb) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and
 - (cc) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the proposed Share Purchase;
- (iv) the consequences, if any, of Share Purchases by the Company that will arise under the Singapore Code on Take-overs and Mergers (the “**Take-over Code**”) or other applicable take-over rules;
- (v) whether the Share Purchase, if made, could affect the listing of the Shares on the Official List of the SGX-ST;
- (vi) details of any Share Purchases made by the Company in the previous twelve (12) months (whether by way of Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Purchases, where relevant, and the total consideration paid for such Share Purchases; and
- (vii) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

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If and when circumstances permit, the Directors will decide whether to effect the Share Purchases via Market Purchases or Off-Market Purchases, after taking into account the amount of surplus cash available, the then prevailing market conditions and the most cost effective and efficient approach.

(d) *Maximum Purchase Price*

The purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) to be paid by the Company for the Shares will be determined by the Directors and must not exceed:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter) of the Shares; and
- (ii) in the case of an Off-Market Purchase, 120% of the Highest Last Dealt Price (as defined hereinafter) of the Shares,

(the “**Maximum Price**”) in either case, excluding related expenses of the Share Purchase.

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) market days (being days on which the SGX-ST is open for trading in securities) on which transactions in Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted in accordance with the Listing Manual for any corporate action that occurs during the relevant five (5)-day period and day of the Market Purchase;

“**Highest Last Dealt Price**” means the highest price transacted for a Share as recorded on the market day (being days on which the SGX-ST is open for trading in securities) on which there were trades in Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase of Shares from the Shareholders stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 Status of Purchased Shares

Any Share purchased or acquired by the Company under the Share Purchase Mandate is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share will expire on cancellation) unless such Share is held by the Company as treasury shares to the extent permitted under the Companies Act. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares. All cancelled Shares will be automatically delisted by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition. It is presently intended by the Company that Shares which are purchased or acquired by the Company will be held as treasury shares, up to the maximum number of treasury shares permitted by law to be held by the Company.

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2.5 Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under (i) the Listing Manual and (ii) the Companies Act, are summarised below.

(a) *Maximum Holdings*

Pursuant to the Companies Act, the number of Shares held as treasury shares cannot at any time exceed ten per cent. (10%) of the total number of issued Shares.

(b) *Voting and Other Rights*

Treasury shares will not confer upon the Company any right to attend or vote at meetings, nor any right to receive dividends and/or other distributions (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up). However, the allotment of treasury shares as fully paid bonus shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller or greater amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(c) *Disposal and Cancellation*

Where Shares are held as treasury shares, the Company may at any time but subject always to the Take-over Code:

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purposes of or pursuant to share system, whether for employees, directors or other persons;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of another person;
- (iv) cancel the treasury shares; or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance of Singapore.

2.6 Source of Funds

The Company may only apply funds for the purchase or acquisition of Shares in accordance with the Constitution of the Company and the applicable laws and regulations in Singapore. The Company may not purchase or acquire its Shares for a consideration other than in cash or for settlement otherwise than in accordance with the trading rules of the SGX-ST.

Under the Companies Act, the Company may purchase or acquire its own Shares out of capital, as well as from its distributable profits, provided that:

- (a) there is no ground on which the company could be found to be unable to pay its debts;

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- (b) if it is intended to commence winding up of the Company within the period of twelve (12) months immediately after the date of the payment, the Company will be able to pay its debts in full within the period of twelve (12) months after the date of commencement of the winding up or if it is not intended so to commence winding up, the Company will be able to pay its debts as they fall due during the period of twelve (12) months immediately after the date of the payment; and
- (c) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase, acquisition, variation or release (as the case may be), become less than the value of its liabilities (including contingent liabilities).

The Company will use internal sources of funds, or a combination of internal resources and external borrowings, to finance its Share Purchases. The Directors do not propose to exercise the Share Purchase Mandate or rely on external borrowings to finance its Share Purchases to such an extent that it would have a material adverse effect on the financial position, working capital requirements or investment ability of the Company and the Group. Share Purchases will only be effected after taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements of the Group) and non-financial factors (such as market conditions and performance of the Shares).

2.7 Financial Effects of the Share Purchase Mandate

It is not possible for the Company to realistically calculate or quantify the impact of the Share Purchases that may be made pursuant to the Share Purchase Mandate on the Company and the Group as the financial effects on the Company and the Group arising from the Share Purchases would depend on factors such as, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the aggregate numbers of Shares purchased or acquired, the purchase prices paid at the relevant times, whether the Shares purchased or acquired are held in treasury or immediately cancelled on purchase or acquisition, and the amounts (if any) borrowed by the Company to fund the Share Purchases.

As stated in Section 2.6 of this Addendum, the Companies Act permits the Company to purchase its Shares out of the Company's capital and/or profits so long as the Company is solvent. Where the consideration paid by the Company for the Share Purchases is made out of distributable profits, such consideration (including costs incidental to the Share Purchases) will correspondingly reduce the amount available for distribution of cash dividends by the Company. Where the consideration paid by the Company for the Share Purchases is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the Share Purchases are financed through internal resources, it will reduce the cash reserves of the Group and the Company, and thus the current assets and Shareholders' funds of the Group and the Company. This will result in an increase in the gearing ratios of the Group and the Company and a decline in the current ratios of the Group and the Company. The actual impact on the gearing and current ratios will depend on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

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Where the Share Purchases are financed through external borrowings or financing, there would be an increase in the gearing ratios of the Group and the Company, and a decline in the current ratios and Shareholders' funds of the Group and the Company, with the actual impact dependent on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

For illustrative purposes only and on the basis of the following assumptions:

- (a) that on the assumptions set out in Section 2.3(a) above, the purchase or acquisition by the Company of up to 23,962,791 Shares, representing ten per cent. (10%) of its total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, was made on 1 August 2022;
- (b) that, assuming the Company meeting the minimum public float of ten per cent. (10%) after the Share Purchases, in the case of Market Purchases, the Company purchased or acquired Shares at the Maximum Price of S\$0.08673 for each Share (being 105% of the Average Closing Price immediately preceding the Latest Practicable Date), and, in the case of Off-Market Purchases, the Company purchased or acquired Shares at the Maximum Price of S\$0.09720 for each Share (being 120% of the Highest Last Dealt Price immediately preceding the Latest Practicable Date);
- (c) that the purchase or acquisition of Shares by the Company, which required funds amounting to, in the case of Market Purchases, S\$2,078,293, and in the case of Off-Market Purchases, S\$2,329,183, was financed entirely using its internal sources of funds;
- (d) where Shares purchased are held as treasury shares, the maximum number of Shares permitted under the Companies Act to be held in treasury are held in treasury, and the balance is cancelled against capital/profits; and
- (e) that the Singapore corporate tax rate applied was 17%,

the various scenarios of the financial effects of Share Purchases by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial statements of the Group for financial year ended 31 July 2023, are set out below:

Scenario	Type	Held as Treasury Shares/ Cancelled
1(A)	Market Purchase	Held as treasury shares
1(B)	Market Purchase	Cancelled against capital
1(C)	Market Purchase	Cancelled against profits
2(A)	Off-Market Purchase	Held as treasury shares
2(B)	Off-Market Purchase	Cancelled against capital
2(C)	Off-Market Purchase	Cancelled against profits

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MARKET PURCHASES

Pro-forma financial effects on the Group for scenarios of Share Purchases by the Company via Market Purchases

	Per consolidated financial statements as at 31 July 2023 S\$'000	Pro-forma financial effects as at 31 July 2023 for scenario 1(A), 1(B) and 1(C)		
		1(A) S\$'000	1(B) S\$'000	1(C) S\$'000
Share capital	35,016	35,016	32,938	35,016
Revenue reserves (distributable)	31,316	31,316	31,316	29,238
Other reserves	(6,207)	(6,207)	(6,207)	(6,207)
Treasury shares	(187)	(2,265)	(187)	(187)
Shareholders' funds	59,938	57,860	57,860	57,860
Net tangible assets ⁽¹⁾	59,787	57,709	57,709	57,709
Current assets	14,280	12,202	12,202	12,202
Current liabilities	1,915	1,915	1,915	1,915
Working capital ⁽²⁾	12,365	10,287	10,287	10,287
Total liabilities	2,936	2,936	2,936	2,936
Cash and bank balances	13,397	11,319	11,319	11,319
Interest bearing borrowings	1,520	1,520	1,520	1,520
Number of Shares (excluding treasury shares and subsidiary holdings)	239,627,912	215,665,121	215,665,121	215,665,121
Financial ratios				
Net tangible assets per Share (cents)	24.95	26.76	26.76	26.76
Loss per Share (cents)	(0.53)	(0.54)	(0.54)	(0.54)
Gearing ratio ⁽³⁾ (times)	0.03	0.03	0.03	0.03
Current ratio ⁽⁴⁾ (times)	7.46	6.37	6.37	6.37

Notes:

(1) Net tangible assets equal Shareholders' funds excluding intangible assets and liabilities.

(2) Working capital equals current assets subtracted by current liabilities.

(3) Gearing ratio equals interest bearing borrowings divided by Shareholders' funds.

(4) Current ratio equals current assets divided by current liabilities.

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OFF-MARKET PURCHASES

Pro-forma financial effects on the Group for scenarios of Share Purchases by the Company via Off-Market Purchases

	Per consolidated financial statements as at 31 July 2023 S\$'000	Pro-forma financial effects as at 31 July 2023 for scenario 2(A), 2(B) and 2(C)		
		2(A) S\$'000	2(B) S\$'000	2(C) S\$'000
Share capital	35,016	35,016	32,687	35,016
Revenue reserves (distributable)	31,316	31,316	31,316	28,987
Other reserves	(6,207)	(6,207)	(6,207)	(6,207)
Treasury shares	(187)	(2,516)	(187)	(187)
Shareholders' funds	59,938	57,609	57,609	57,609
Net tangible assets ⁽¹⁾	59,787	57,458	57,458	57,458
Current assets	14,280	11,951	11,951	11,951
Current liabilities	1,915	1,915	1,915	1,915
Working capital ⁽²⁾	12,365	10,036	10,036	10,036
Total liabilities	2,936	2,936	2,936	2,936
Cash and bank balances	13,397	11,068	11,068	11,068
Interest bearing borrowings	1,520	1,520	1,520	1,520
Number of Shares (excluding treasury shares and subsidiary holdings)	239,627,912	215,665,121	215,665,121	215,665,121
Financial ratios				
Net tangible assets per Share (cents)	24.95	26.64	26.64	26.64
Loss per Share (cents)	(0.53)	(0.54)	(0.54)	(0.54)
Gearing ratio ⁽³⁾ (times)	0.03	0.03	0.03	0.03
Current ratio ⁽⁴⁾ (times)	7.46	6.24	6.24	6.24

Notes:

(1) Net tangible assets equal Shareholders' funds excluding intangible assets and liabilities.

(2) Working capital equals current assets subtracted by current liabilities.

(3) Gearing ratio equals interest bearing borrowings divided by Shareholders' funds.

(4) Current ratio equals current assets divided by current liabilities.

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Shareholders should note that the financial effects set out in this Section 2.7 are purely for illustrative purposes only. In particular, it is important to note that the above analyses are based on the audited financial statements for the financial year ended 31 July 2023 and are in no way indicative of the Group's future financial performance.

Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to ten per cent. (10%) of the Company's issued Shares (excluding treasury shares and subsidiary holdings) as at the Approval Date, the Company may not necessarily purchase or acquire or be able to purchase or acquire ten per cent. (10%) of the issued Shares (excluding treasury shares and subsidiary holdings) in full. In addition, the Company may cancel all or part of the Share Purchases or hold all or part of the Share Purchases as treasury shares.

2.8 Listing Rules

(a) *Dealings in securities*

While the listing rules of the SGX-ST do not expressly prohibit any purchase of Shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued Shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in observing the best practices on dealings in securities recommended in Rule 1207(19)(c) of the Listing Manual, the Company will not purchase or acquire any Shares through Share Purchases during the period commencing one (1) month before the announcement of the Group's half-year and full-year financial statements.

(b) *Listing Status*

Rule 723 of the Listing Manual requires the Company to ensure that at least ten per cent. (10%) of its issued Shares (excluding treasury shares, preference shares, convertible equity securities) in a class that is listed is at all times held by the public. The "public", as defined under the Listing Manual, are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders (as defined in the Listing Manual) of the Company and its subsidiaries, as well as the associates (as defined in the Listing Manual) of such persons. The Directors shall safeguard the interests of the "public" Shareholders, before undertaking any Share Purchases. Before exercising the Share Purchase Mandate, the Directors shall at all times take due cognisance of (a) the then shareholding spread of the Company in respect of the number of Shares held by substantial shareholders and by non-substantial shareholders; and (b) the volume of trading on the SGX-ST in respect of the Shares immediately before the exercise of any Share Purchase.

As at the Latest Practicable Date, 56,540,196 Shares, representing 23.6% of the issued share capital of the Company (excluding treasury shares) are held by the public.

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For illustrative purposes only, assuming that the Company purchases its Shares through Market Purchases up to the full ten per cent (10%) limit pursuant to the Share Purchase Mandate, the number of Shares in the hands of the public would be reduced to 32,577,405 Shares, representing 15.1% of the issued share capital of the Company (excluding treasury shares).

In view of the foregoing, the Company is of the view that there is, at present, a sufficient number of Shares in public hands that would permit the Company to potentially undertake purchases or acquisitions of its Shares through Share Purchases up to the full ten per cent. (10%) limit pursuant to the Share Purchase Mandate without:

- (i) affecting adversely the listing status of the Shares on the SGX-ST;
- (ii) causing market illiquidity; or
- (iii) affecting adversely the orderly trading of Shares.

2.9 Take-over Implications

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

(a) *Obligation to Make a Take-over Offer*

If, as a result of Share Purchases, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such an increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such an increase results in the change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

(b) *Persons Acting in Concert*

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons will, *inter alia*, be presumed to be acting in concert:

- (i) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (ii) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the aforementioned companies, any company whose associated companies include any of the foregoing companies, and any person

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who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least twenty per cent. (20%) but not more than fifty per cent. (50%) of the voting rights of the first-mentioned company;

- (iii) a company with any of its pension funds and employee share schemes;
- (iv) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total ten per cent. (10%) or more of the client's equity share capital;
- (vi) directors of a company, together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts, which is subject to an offer or where the directors have reason to believe a *bona fide* offer for their company may be imminent;
- (vii) partners; and
- (viii) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the aforementioned, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons for the purchase of voting rights.

For the above purposes, “**close relatives**” include immediate family (i.e. parents, siblings, spouse and children), siblings of parents (i.e. uncles and aunts) as well as their children (i.e. cousins), and children of siblings (i.e. nephews and nieces).

The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a Share Purchase by the Company are set out in Rule 14 and Appendix 2 of the Take-over Code.

(c) *Effect of Rule 14 and Appendix 2 of the Take-over Code*

Under the Take-over Code, a Shareholder and persons acting in concert with him will incur an obligation to make a take-over offer after a Share Purchase by the Company if, *inter alia*, their voting rights increase to thirty per cent. (30%) or more as a result of a Share Purchase by the Company and they acquire any Shares between the date of the notice of resolution to authorise the Share Purchase Mandate and the next AGM of the Company, or, if they already hold between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights and as a result of a Share Purchase by the Company, their voting rights increase by more than one per cent. (1%) in any period of six (6) months and they acquire any Shares between the date of the notice of resolution to authorise the Share Purchase Mandate and the next AGM of the Company.

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Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to thirty per cent. (30%) or more, or, if such Shareholder holds between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent. (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the proposed renewal of the Share Purchase Mandate.

Notwithstanding the above, Note 3(a) of Appendix 2 of the Take-over Code provides that for a for a market acquisition under Section 76E of the Companies Act by a listed company, directors and persons acting in concert with them will be exempted from the requirement to make an offer under Rule 14 of the Take-over Code, subject to the following conditions:

- (i) the circular to shareholders on the resolution to authorise a share buy-back to contain advice to the effect that by voting for the buy-back resolution, shareholders are waiving their right to a general offer at the required price² from directors and parties acting in concert with them who, as a result of the company buying back its shares, would increase their voting rights to thirty per cent. (30%) or more, or, if they together hold between thirty per cent. (30%) and fifty per cent. (50%) of the company's voting rights, would increase their voting rights by more than one per cent. (1%) in any period of six (6) months; and the names of such directors and persons acting in concert with them, their voting rights at the time of the resolution and after the proposed buy-back to be disclosed in this same circular;
- (ii) the resolution to authorise a share buy-back to be approved by a majority of those shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the share buy-back;
- (iii) directors and/or persons acting in concert with them to abstain from voting for and/or recommending shareholders to vote in favour of the resolution to authorise the share buy-back;
- (iv) within seven (7) days after the passing of the resolution to authorise a buy-back, each of the directors to submit to the Securities Industry Council of Singapore (the "**Council**") a duly signed form as prescribed by the Council;
- (v) directors and/or persons acting in concert with them not to have acquired and not to acquire any shares between the date on which they know that the announcement of the share buy-back proposal is imminent and the earlier of:
 - the date on which the authority of the share buy-back expires; and

² "required price" means in relation to the offer required to be made under the provisions of Rule 14.1 of the Take-over Code, the offer shall be in cash or be accompanied by a cash alternative at a price in accordance with Rule 14.3 of the Take-over Code which is the highest of the highest price paid by the offerors and/or person(s) acting in concert with them for the Company's Shares (i) during the offer period and within the preceding six (6) months, (ii) acquired through the exercise of instruments convertible into securities which carry voting rights within six (6) months of the offer and during the offer period, or (iii) acquired through the exercise of rights to subscribe for, and options in respect of, securities which carry voting rights within six (6) months of the offer or during the offer period; or at such price as determined by the Council under Rule 14.3 of the Take-over Code.

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- the date on which the company announces it has bought back such number of shares as authorised by shareholders at the latest general meeting or it has decided to cease buying back its shares, as the case may be,

if such acquisitions, taken together with the share buy-back, would cause their aggregate voting rights to increase to thirty per cent. (30%) or more; and

- (vi) directors and/or persons acting in concert with them, together holding between thirty per cent. (30%) and fifty per cent. (50%) of the company's voting rights, not to have acquired and not to acquire any shares between the date on which they know that the announcement of the share buy-back proposal is imminent and the earlier of:

- the date on which the authority of the share buy-back expires; and
- the date on which the company announces it has bought back such number of shares as authorised by shareholders at the latest general meeting or it has decided to cease buying back its shares, as the case may be,

if such acquisitions, taken together with the share buy-back, would cause their aggregate voting rights to increase by more than one per cent. (1%) in the preceding six (6) months.

It follows that where the aggregate voting rights held by a director and persons acting in concert with him increase by more than one per cent. (1%) solely as a result of the share buy-back and none of them has acquired any shares during the relevant period as stated above, then such director and/or persons acting in concert with him would be eligible for an exemption from the requirement to make a general offer under Rule 14 of the Take-over Code, or where such exemption had been granted, would continue to enjoy the exemption.

The effect of Rule 14 and Appendix 2 of the Take-over Code is that, subject to the fulfilment of the abovementioned conditions, Directors and persons acting in concert with them will be exempted from the obligation to make a take-over offer under Rule 14 of the Take-over Code within the validity period of the exemption if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to thirty per cent. (30%) or more, or if the voting rights of such Directors and their concert parties fall between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than one per cent. (1%) in any period of six (6) months.

Shareholders (including Directors) and their concert parties who hold more than fifty per cent. (50%) of the Company's voting rights are under no obligation to make a take-over offer if the voting rights of such Shareholders and their concert parties were to increase as a result of the Company purchasing or acquiring Shares.

If the Company decides to cease the Share Purchases before it has purchased or acquired in full such number of Shares authorised by its Shareholders at the latest AGM, the Company will promptly inform its Shareholders of such cessation. This will assist Shareholders to determine if they can buy any more Shares without incurring an obligation under Rule 14 of the Take-over Code.

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(d) *Application of the Take-over Code*

The shareholdings of persons who have an interest or interests in voting Shares in the Company representing not less than five per cent. (5%) of all the voting Shares (the “**Substantial Shareholders**”) as at the Latest Practicable Date and after the purchase or acquisition by the Company (other than from the Substantial Shareholders) of the maximum of ten per cent. (10%) of the issued share capital of the Company pursuant to the Share Purchase Mandate as the case may be, are as follows:

Substantial Shareholders	Before Share Purchases			After Share Purchases		
	Number of Shares		Total % ⁽¹⁾	Number of Shares		Total % ⁽²⁾
	Direct Interest	Deemed Interest		Direct Interest	Deemed Interest	
Ang Kong Meng ⁽³⁾	183,009,816	–	76.372	183,009,816	–	84.858

Notes:

- (1) Based on the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) of 239,627,912 Shares as at the Latest Practicable Date. The Company had 829,600 treasury shares and no subsidiary holdings as at the Latest Practicable Date. Percentage figures are rounded to the nearest three (3) decimal places.
- (2) Based on the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) of 215,665,121 Shares after purchase or acquisition by the Company (other than from the Substantial Shareholders) of the maximum of ten per cent. (10%) of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) pursuant to the Share Purchase Mandate.
- (3) Mr. Ang Kong Meng holds 55,535,469 warrants of the Company, with each warrant carrying the right to subscribe for one new Share.

Based on the above shareholdings of Substantial Shareholder(s) of the Company as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date, assuming that there is no change to the shareholding interests of the Substantial Shareholder(s) since the Latest Practicable Date, in the event the Company undertakes Share Purchases of up to ten per cent. (10%) of the issued Shares (excluding treasury shares and subsidiary holdings) of the Company as permitted under the Share Purchase Mandate, the Substantial Shareholder of the Company, Mr. Ang Kong Meng, would not be obliged to make a take-over offer under Rule 14 of the Take-over Code as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate.

Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any Share Purchases pursuant to the Share Purchase Mandate are advised to consult their professional advisers and/or the Council and/or the relevant authorities at the earliest opportunity before they acquire any Shares during the period when the Share Purchase Mandate is in force.

2.10 Tax Implications

Shareholders who are in doubt as to their respective tax positions or the tax implications of the Share Purchases by the Company or who may be subject to tax whether in or outside Singapore should consult their own professional advisers.

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2.11 Previous Share Purchases

The Company did not purchase or acquire any Shares pursuant to the Share Purchase Mandate approved by the Shareholders at the 2022 AGM during the twelve (12) months immediately preceding the Latest Practicable Date.

2.12 Reporting Requirements

- (a) Under the Companies Act, where a public company purchases or acquires its shares, the directors of the company shall:
- (i) lodge with the Registrar (as defined in the Companies Act) a copy of the shareholders' resolution to approve any purchase or acquisition of shares by the company, within thirty (30) days of the passing of such resolution; and
 - (ii) lodge a notice of purchase or acquisition of shares in the prescribed form within thirty (30) days after the purchase or acquisition of such shares. Such notification shall include details of the date of the purchase or acquisition, the number of shares purchased or acquired, the number of shares cancelled, the number of shares held as treasury shares, the company's issued share capital before the purchase or acquisition, the company's issued share capital after the purchase or acquisition, the amount of consideration paid by the company for the purchase or acquisition of the shares, whether the shares were purchased or acquired out of profits or capital of the company, and such other particulars as may be required in the prescribed form.
- (b) Rule 886(1) of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m.:
- (i) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares; and
 - (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second market day after the close of acceptances of the offer.

Such announcement (which must be in the form of Appendix 8.3.1 to the Listing Manual) must include, *inter alia*, details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares (as applicable), the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and subsidiary holdings after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.

- (c) Further, pursuant to Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares, stating the following:
- (i) date of the sale, transfer, cancellation and/or use;

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- (ii) purpose of such sale, transfer, cancellation and/or use;
 - (iii) number of treasury shares sold, transferred, cancelled and/or used;
 - (iv) number of treasury shares before and after such sale, transfer, cancellation and/or use;
 - (v) percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after such sale, transfer, cancellation and/or use; and
 - (vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.
- (d) Under the Companies Act, where a public company cancels or disposes treasury shares in accordance with the provisions of the Companies Act, the directors of the company must lodge with the Registrar a prescribed notice of the cancellation or disposal of treasury shares within thirty (30) days after the cancellation or disposal of treasury shares.

2.13 Limits on Shareholdings

The Company does not have any limits on the shareholdings of the Shareholders.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and Substantial Shareholders in the share capital of the Company as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Directors				
Ang Kong Meng ⁽²⁾	183,009,816	76.372	–	–
Hor Siew Fu	–	–	–	–
Yap Ming Choo	–	–	–	–
Yuen Pei Lur, Perry	–	–	–	–
Substantial shareholders				
Ang Kong Meng ⁽²⁾	183,009,816	76.372	–	–

Notes:

- (1) Based on the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) of 239,627,912 Shares as at the Latest Practicable Date.
- (2) Mr. Ang Kong Meng holds 55,535,469 warrants of the Company, with each warrant carrying the right to subscribe for one (1) new Share.

4. DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favor of Resolution 10, being the ordinary resolution relating to the proposed renewal of the Share Purchase Mandate to be proposed at the 2023 AGM.

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5. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders' approval for the proposed renewal of the Share Purchase Mandate will be sought at the 2023 AGM.

Shareholders should refer to the Company's announcement on 7 November 2023, which has been despatched together with this Addendum to Notice of AGM 2023 and uploaded on SGXNET, for further information, including the steps to be taken by Shareholders to participate at the 2023 AGM. Such announcement may also be accessed at the URL <http://www.datapulse.com.sg/>.

6. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Addendum and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Addendum constitutes full and true disclosure of all material facts about the transactions described in this Addendum, the Company, and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Addendum misleading. Where information in the Addendum 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 the Addendum in its proper form and context.

By Order of the Board

Yeo Sock Koon, Maggie
Company Secretary

7 November 2023