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

OFF-MARKET EQUAL ACCESS SHARE BUYBACK OFFER

1. INTRODUCTION

The board of directors (the "**Directors**" or the "**Board**") of Datapulse Technology Limited ("**Company**) wishes to announce that the Company proposes to undertake an off-market purchase of issued ordinary shares in the capital of the Company (the "**Shares**") (the "**Equal Access Offer**") in accordance with the existing share purchase mandate approved at the annual general meeting of the Company held on 22 November 2023 (the "**Share Purchase Mandate**").

The Company will be relying on its existing Share Purchase Mandate approved by shareholders of the Company ("**Shareholders**") by way of an ordinary resolution at the AGM, pursuant to which the Directors have been conferred the authority to exercise all powers of the Company to purchase or otherwise acquire its issued Shares upon and subject to the terms of such mandate as set out in the addendum to Shareholders on the proposed renewal of the Share Purchase Mandate dated 7 November 2023 ("**Addendum**").

2. TERMS AND CONDITIONS OF THE EQUAL ACCESS OFFER

2.1 The Equal Access Offer will be made on the terms and subject to the conditions to be set out in the formal offer letter ("**Offer Letter**") to be issued to Shareholders on the following basis:

2.1.1 Offer Price

The offer price for each Share will be S$0.10 in cash (the "**Offer Price**"), representing a premium of approximately 10.9% to the average of the closing market prices of the Shares over the last five (5) market days prior to and including 14 May 2024, being the last full market day on which the Shares were transacted on the Mainboard of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") prior to the announcement of the Equal Access Offer.

2.1.2 Maximum Buyback Amount

The Company will offer to buy back up to 23,962,791 Shares, representing 10.0% of the total number of 239,627,912 Shares in issue (excluding 829,600 treasury shares) as at the date of this announcement ("**Announcement Date**").

Under the Equal Access Offer, each Shareholder will be entitled to accept in full or partially the Equal Access Offer in respect of up to 10.0% of the Shares he/she/it holds as at the date on which the Equal Access Offer closes, fractional entitlements to be disregarded ("**Entitled Shares**"). Shareholders may also elect not to accept the Equal Access Offer.

In addition to the entitlement to accept the Equal Access Offer in respect of the Entitled Shares, a Shareholder may tender Shares in excess of the Entitled Shares ("**Excess Shares**") for acceptance under the Equal Access Offer, if other Shareholders do not accept their full entitlements under the Equal Access Offer.

If the total acceptances of the Entitled Shares and the Excess Shares under the Equal Access Offer exceed the maximum number of Shares the Company may buy back under the Equal Access Offer (the "**Maximum Buyback Amount**"), the Excess Shares will be scaled back proportionately in accordance with an excess allotment ratio which will be set out in the Offer Letter to ensure that the Company buys back no more than the Maximum Buyback Amount. In scaling down the number of Excess Shares tendered by Shareholders,the Company will endeavour to round down odd lots to the closest 100 Shares (a full board lot of the Shares) to reduce the number of Shareholders with odd lots, to the extent possible.

2.1.3 Eligibility

The Equal Access Offer will be open to all Shareholders as reflected in the register of members of the Company ("**Register of Members**") or standing to the credit of the "Free Balance" of such Shareholder's Securities Account maintained with The Central Depository(Pte) Limited (the "**CDP**"), as the case may be, at 5.00 p.m. on the record date to be set out in the Offer Letter.

Participation in the Equal Access Offer is voluntary. An eligible Shareholder may elect not to participate in the Equal Access Offer.

2.1.4 Rights Attaching to Shares Acquired Pursuant to the Equal Access Offer

The Shares which are acquired pursuant to the Equal Access Offer will be acquired fully paid and free from all claims, charges, equities, mortgages, liens, pledges, trusts and other encumbrances, and together with all rights, benefits and entitlements attached thereto, including the right to receive all dividends, rights and other distributions (if any) which may be declared, paid or made thereon, on or after the Announcement Date. As such, the Offer Price may be adjusted to take into account dividends, rights and other distributions (if any) which may be declared, paid or made thereon, on or after the Announcement Date. Any such adjustments will be notified to Shareholders via SGXNET announcement(s).

2.1.5 Offer Period

The period during which the Equal Access Offer will be open for acceptance by eligible Shareholders shall be determined by the Board and set out in the Offer Letter.

2.2 All shares purchased or acquired by the Company pursuant to the Equal Access Offer shall be cancelled.

3. RATIONALE FOR THE EQUAL ACCESS OFFER

3.1 The purchases or acquisitions of Shares under the Equal Access Offer will provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements. It 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.

3.2 The trading volume of the Shares has been low, with an average daily trading volume[1] of approximately 5,067, 23,347, 20,782 and 62,050 Shares during the one-month, three-month, six-month and 12-month periods prior to and including 14 May 2024, being the last full day on which the Shares were traded on the SGX-ST prior to this announcement respectively. The

[1] The average daily trading volume of the Shares was computed based on the total volume of the Shares traded on SGX-ST (excluding off-market transactions) during the relevant periods, divided by the number of days when the SGX-ST was open for trading during the relevant periods.

Equal Access Offer provides Shareholders who find it difficult to sell down a substantial portion of their shareholdings in the Company as a result of the low trading volume in the Shares with an opportunity to liquidate and realise their investment in the Shares. This is an option which may not otherwise be readily available due to the low trading liquidity of the Shares.

3.3 The Board had taken the view that the Equal Access Offer promotes fairness and inclusivity amongst all Shareholders by ensuring that all Shareholders have an equal opportunity to participate in the Equal Access Offer, irrespective of their shareholding size.

3.4 After careful consideration of the above and taking into account the surplus cash available, the prevailing market conditions and the circumstances surrounding the Company, the Board is of the view that undertaking the Equal Access Offer would be an appropriate measure for the benefit of Shareholders, especially Shareholders who are in need of short-term liquidity. The Equal Access Offer provides Shareholders with the opportunity to dispose of their Shares for cash without any transaction costs and/or realise their investment in the Company concurrently.

3.5 The Board does not propose to carry out the Equal Access Offer to an extent that would, or in circumstances that might, result in a material adverse effect on the liquidity, the financial position of the Group, orderly trading of the Shares and/or the working capital requirements of the Company and the Group.

4. SOURCE OF FUNDS

Assuming the Maximum Buyback Amount, the Company will commit approximately S$2.4 million towards the purchase of Shares under the Equal Access Offer. The Company will use internal resources to finance the Equal Access Offer.

The Directors are of the view that the Equal Access Offer will not result in a material adverse effect on the working capital requirements or the gearing levels of the Company and the Group, or result in the Company being delisted from the SGX-ST.

5. DESPATCH OF OFFER LETTERS AND ACCEPTANCE FORMS

Further terms of the Equal Access Offer, including the procedures for acceptance, will be provided in the Offer Letter. The Offer Letter, together with the relevant form(s) of acceptance and transfer (the "**Acceptance Forms**"), will be despatched to Shareholders in due course.

6. OVERSEAS SHAREHOLDERS

6.1 The availability of the Equal Access Offer to Shareholders whose addresses are outside Singapore as shown in the Register of Members or, as the case may be, in the records of CDP (the "**Overseas Shareholders**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves about and observe any applicable legal requirements. **For the avoidance of doubt, the Equal Access Offer will be made to all Shareholders, including those to whom the Offer Letter and the Acceptance Forms may not be sent.** The Offer Letter does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Equal Access Offer is not being made in any jurisdiction in which the making or acceptance of the Equal Access Offer would not be in compliance with the laws of such jurisdiction. However, the Company may, in its sole discretion, take such action as it may deem necessary to extend the Equal Access Offer to Shareholders in any such jurisdiction.

6.2 It is the responsibility of Overseas Shareholders who wish to accept the Equal Access Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts,

duties or other requisite payments due in such jurisdiction. Such Overseas Shareholders shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Company and any person acting on the Company's behalf shall be fully indemnified and held harmless by such Overseas Shareholders for any such taxes, imposts, duties or other requisite payments that the Company and/or any person acting on the Company's behalf may be required to pay. In accepting the Equal Access Offer, each Overseas Shareholder represents and warrants to the Company that he/she/it is in full observance of the laws of the relevant jurisdiction in that connection and that he/she/it is in full compliance with all necessary formalities or legal requirements.

6.3 Where there are potential restrictions on sending the Offer Letter and the Acceptance Form to any overseas jurisdictions, the Company reserves the right not to send the Offer Letter and the Acceptance Form to Overseas Shareholders in such overseas jurisdictions. Subject to compliance with applicable laws, any affected Overseas Shareholder may nonetheless attend in person and obtain a copy of the Offer Letter and the Acceptance Forms during normal business hours from the office of the Company's share registrar, B.A.C.S. Private Limited at 77 Robinson Road #06-03 Robinson 77, Singapore 068896. Alternatively, an affected Overseas Shareholder may, subject to compliance with applicable laws, write to the Company's share registrar at the above-stated address to request the Offer Letter and the relevant Acceptance Forms to be sent to an address in Singapore by ordinary post at his/her/its own risk.

6.4 If you are in doubt about your position, you should consult your professional adviser in the relevant jurisdiction.

7. APPLICATION OF SINGAPORE CODE ON TAKE-OVERS AND MERGERS

7.1 Mr Ang Kong Meng is a Director and substantial shareholder of the Company. Mr Ang Kong Meng holds an aggregate of 183,009,816 Shares, representing approximately 76.4% of the voting rights in the Company as at Announcement Date. Mr Ang Kong Meng also holds 46,000,069 warrants of the Company, with each warrant carrying the right to subscribe for one new Share. As Mr Ang Kong Meng holds more than 50.0% of the Company's voting rights, he would not be obliged to make a take-over offer under Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Take-over Code**") notwithstanding any increase in his shareholding interests in the Company as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate.

7.2 Based on the interests of the Directors and the substantial Shareholders as at the Announcement Date, the Directors are not aware of any persons who would become obliged to make a mandatory general offer under the Take-over Code.

7.3 As at the Announcement Date, the Directors are not aware of any facts or factors which suggest or imply that any particular persons(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Code would ensue as a result of the Equal Access Offer.

8. LISTING STATUS OF THE SHARES

The relevant listing rules of the SGX-ST require a listed company to ensure that at least 10% of its shares is at all times held by public shareholders. The "public" are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of the Company and its subsidiaries, as well as associates of such persons.

Based on the information available to the Company as at the Announcement Date, approximately 23.6% of the issued share capital of the Company are held in the hands of the public. Assuming all Shareholders tender their Entitled Shares to the Company and the Company repurchases the Maximum Buyback Amount pursuant to the Equal Access Offer,

the percentage of Shares held by the public would remain the same at approximately 23.6%. Assuming only the public Shareholders tender their Entitled Shares and Excess Shares to the Company and the Company repurchases the Maximum Buyback Amount pursuant to the Equal Access Offer, the percentage of Shares held by the public would be approximately 15.1%.

There is therefore an adequate number of Shares in public hands for the Company to undertake the Equal Access Offer.

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who have delegated detailed supervision of the preparation of this announcement) collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Equal Access Offer, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

10. CAUTIONARY STATEMENT

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bankers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Yeo Sock Koon
Company Secretary
15 May 2024