ADDENDUM DATED 10 NOVEMBER 2020

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 correctness of any of the statements made, reports contained or opinions expressed in this Addendum. This Addendum has been prepared by the Company with assistance and legal advice from TSMP Law Corporation.



DATAPULSE TECHNOLOGY LIMITED

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

ADDENDUM TO NOTICE OF ANNUAL GENERAL MEETING

IN RELATION TO

(1) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

(2) THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

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DATAPULSE TECHNOLOGY LIMITED

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

Directors:

Aw Cheok Huat, Non-Independent Non-Executive Chairman
Teo Choon Kow @ William Teo, Lead Independent Director
Choong Chee Peng Bert, Independent Non-Executive Director
Lau Yan Wai, Independent Non-Executive Director
Lee Kam Seng, Executive Director

Registered Office:

8 Shenton way
#09-01 AXA Tower
Singapore 068811

10 November 2020

To: The Shareholders of Datapulse Technology Limited

Dear Sir/Mdm,

1. INTRODUCTION

The purpose of this Addendum is to provide shareholders of the Company ("**Shareholders**") with the relevant information and to seek Shareholders' approval for:-

(a) the proposed renewal of the general mandate to authorise the Directors to exercise all the powers of the Company to purchase or otherwise acquire its issued ordinary shares ("**Shares**") upon and subject to the terms of such mandate (the "**Share Purchase Mandate**"); and

(b) the proposed renewal of the shareholders' mandate for interested person transactions (the "**Shareholders' Mandate**"),

at the annual general meeting to be held on 27 November 2020 by electronic means ("the **2020 AGM**").

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

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 BACKGROUND

At the annual general meeting of the Company held on 13 November 2019 (the "**2019 AGM**"), the Shareholders had approved the renewal of the Share Purchase Mandate (the "**2019 Mandate**") to enable the Company to purchase or otherwise acquire issued Shares. The rationale for, the authority and limitations on, and the financial effects of, the 2019 Mandate were set out in the addendum to Notice of 2019 AGM dated 29 October 2019.

The 2019 Mandate was expressed to take effect on the date of the passing of the ordinary resolution relating thereto at the 2019 AGM and expire on the date of the forthcoming annual general meeting, the date on which purchases of Shares pursuant to the 2019 Mandate have been carried out to the full extent or until it is varied or revoked by an ordinary resolution of the Shareholders in general meeting (if so varied or revoked prior to the forthcoming AGM of the Company).

2.2 MANDATE

Any purchase or acquisition of Shares by the Company would have to be made in accordance with and in the manner prescribed by the Companies Act (Singapore, Chapter 50) (the "**Companies Act**") and the SGX-ST Listing Manual Section A: Mainboard Rules (the "**Listing Manual**") and such other laws and regulations as may, for the time being, be applicable.

If approved by Shareholders at the 2020 AGM, the authority conferred by the Share Purchase Mandate will continue to be in force until the next annual general meeting of the Company (whereupon it will lapse, unless renewed at such meeting), until the date on which the purchase of Shares pursuant to the Share Purchase Mandate ("**Share Purchases**") is carried out to the full extent mandated or until it is varied or revoked by the Company in general meeting (if so varied or revoked prior to the next annual general meeting of the Company), whichever is earlier (the "**Relevant Period**").

2.3 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. 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).

2.4 AUTHORITY AND LIMITS OF THE SHARE PURCHASE MANDATE

The authority and limitations placed on purchases or acquisition of Shares by the Company under the Share Purchase Mandate, if renewed at the 2020 AGM, are 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 percent (10%) of the issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the resolution passed by Shareholders approving the renewal of the Share Purchase Mandate ("**Approval Date**"), unless the Company has, at any time during the Relevant Period, 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.

For illustrative purposes only, based on the existing issued and paid-up share capital of the Company as at 30 October 2020, being the latest practicable date prior to the despatch of this Addendum (the "**Latest Practicable Date**"), of S$32,991,936 comprising 219,074,844 Shares (excluding treasury shares and subsidiary holdings),

and assuming that no further Shares are issued and no Shares are purchased or acquired by the Company on or prior to the 2020 AGM, not more than 21,907,484 Shares (representing ten percent (10%) of the issued and paid-up share capital 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*

Under the Share Purchase Mandate, Share Purchases 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 annual general meeting or the date by which such annual general meeting is required to be held;

(ii) the date on which Share Purchases have been carried out to the full extent of the Share Purchase Mandate; or

(iii) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by an ordinary resolution of the Shareholders in a general meeting.

(c) *Manner of Share Purchase*

Share Purchases may be made by way of:

(i) on-market purchase(s) transacted through the SGX-ST's trading system or on another stock exchange on which Company's equity securities are listed ("**Market Purchases**"); or

(ii) off-market purchase(s) in accordance with an equal access scheme as defined in Section 76C of the Companies Act ("**Off-Market Purchases**").

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 12 months (whether 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.

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 for any corporate action that occurs after the relevant five (5) day period;

"**Highest Last Dealt Price**" means the highest price transacted for a Share as recorded on the Market Day 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 the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.5 STATUS OF PURCHASED SHARES

Any Share which is purchased by the Company is deemed cancelled immediately on purchase (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.

Treasury Shares

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

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.

Treasury shares may be, *inter alia*, sold for cash, transferred for the purposes of or pursuant to an employee share option scheme, transferred as consideration for the acquisition of shares in or assets of another company or assets of another person, cancelled, or sold, transferred or otherwise used for such other purposes as may be prescribed by the Minister for Finance.

2.6 SOURCE OF FUNDS

The Company will use internal sources of funds, or a combination of internal resources and external borrowings, to finance Share Purchases.

2.7 FINANCIAL EFFECTS OF THE SHARE PURCHASE MANDATE

It is not possible for the Company to realistically calculate or quantify the impact of purchases that may be made pursuant to the proposed Share Purchase Mandate on the net tangible asset value and earnings per Share as the resultant effect would depend on factors such as the aggregate numbers of Shares purchased, 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, how the Shares held in treasury are subsequently dealt with by the Company in accordance with Section 76K of the Companies Act, and the amounts (if any) borrowed by the Company to fund the purchases.

The Companies Act permits the Company to purchase its Shares out of the Company's capital or profits so long as the Company is solvent.

Where the purchase of Shares is made out of distributable profits, such purchase (including costs incidental to the purchase) will correspondingly reduce the amount available for distribution of cash dividends by the Company.

Where the purchase of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the purchase of Shares is 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.

Where the purchase or acquisition of Shares is 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 the purchase or acquisition by the Company of up to 21,907,484 Shares, representing ten percent (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 2019;

(b) that, in the case of Market Purchases, the Company purchased or acquired Shares at the Maximum Price of S$0.254 for each Share (being 105% of the Average Closing Price as at the Latest Practicable Date), and, in the case of Off-Market Purchases, the Company purchased or acquired Shares at the Maximum Price of S$0.312 for each Share (being 120% of the Highest Last Dealt Price as at 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$5,564,501, and in the case Off-Market Purchases, S$6,835,135, 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; and

(e) that the Singapore corporate tax rate applied was 17%,

the various 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 2020, 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

MARKET PURCHASES

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

	Per consolidated financial statements as at 31 July 2020 S$'000	Pro-forma financial effects as at 31 July 2020 for scenario 1(A), 1(B) and 1(C)		
		1(A) S$'000	1(B) S$'000	1(C) S$'000
Share capital	32,992	32,802	27,427	32,992
Revenue reserves (distributable)	39,471	39,471	39,471	33,906
Other reserves	(1,983)	(1,983)	(1,983)	(1,983)
Treasury shares	(187)	(5,562)	(187)	(187)
Shareholders' funds	70,293	64,728	64,728	64,728
Net tangible assets[(1)]	69,945	64,380	64,380	64,380
Current assets	39,236	33,671	33,671	33,671
Current liabilities	4,103	4,103	4,103	4,103
Working capital	35,133	29,568	29,568	29,568
Total liabilities	24,838	24,838	24,838	24,838
Cash and bank balances	33,886	28,321	28,321	28,321
Interest bearing borrowings	22,328	22,328	22,328	22,328
Number of Shares	219,074,844	197,167,360	197,167,360	197,167,360
Financial ratios				
Net tangible assets per Share[(1)] (cents)	31.93	32.65	32.65	32.65
Earnings/(Loss) per Share (cents)	(2.63)	(2.92)	(2.92)	(2.92)
Gearing ratio[(2)] (times)	0.32	0.34	0.34	0.34
Current ratio[(3)] (times)	9.56	8.21	8.21	8.21

Notes:

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

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

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

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 2020 S$'000	Pro-forma financial effects as at 31 July 2020 for scenario 2(A), 2(B) and 2(C)		
		2(A) S$'000	2(B) S$'000	2(C) S$'000
Share capital	32,992	32,759	26,157	32,992
Revenue reserves (distributable)	39,471	39,471	39,471	32,636
Other reserves	(1,983)	(1,983)	(1,983)	(1,983)
Treasury shares	(187)	(6,789)	(187)	(187)
Shareholders' funds	70,293	63,458	63,458	63,458
Net tangible assets[(1)]	69,945	63,110	63,110	63,110
Current assets	39,236	32,401	32,401	32,401
Current liabilities	4,103	4,103	4,103	4,103
Working capital	35,133	28,298	28,298	28,298
Total liabilities	24,838	24,838	24,838	24,838
Cash and bank balances	33,886	27,051	27,051	27,051
Interest bearing borrowings	22,328	22,328	22,328	22,328
Number of Shares	219,074,844	197,167,360	197,167,360	197,167,360
Financial ratios				
Net tangible assets per Share[(1)] (cents)	31.93	32.01	32.01	32.01
Earnings/(Loss) per Share (cents)	(2.63)	(2.92)	(2.92)	(2.92)
Gearing ratio[(2)] (times)	0.32	0.35	0.35	0.35
Current ratio[(3)] (times)	9.56	7.90	7.90	7.90

Notes:

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

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

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

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 2020 and are in no way indicative of the Group's real financial position or a forecast of the Group's financial figures.

Although the Share Purchase Mandate would authorize the Company to purchase up to ten percent (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 be able to purchase ten percent (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.

The Directors do not propose to exercise the Share Purchase Mandate to such an extent that it would have a material adverse effect on the working capital requirements 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).

2.8 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 percent (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 Directors shall safeguard the interests of the "public" Shareholders (as defined in the Listing Manual), 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, 120,318,008 Shares, representing 54.9% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) are held by the public.

For illustrative purposes only, assuming that the Company purchases its Shares through Market Purchases up to the full ten percent (10%) limit pursuant to the Share Purchase Mandate, the number of Shares in the hands of the public would be reduced to 98,410,524 Shares, representing 49.9% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings).

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 of its Shares through Share Purchases up to the full ten percent (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 OBLIGATION TO MAKE A TAKE-OVER OFFER

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.

If, as a result of Share Purchases, a Shareholder's proportionate interest in the voting capital of the Company 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.

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 Appendix 2 of the Take-over Code.

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

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 percent (30%) or more, or, if such Shareholder holds between thirty percent (30%) and fifty percent (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one percent (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.

With regard to Directors and persons acting in concert with them, unless exempted pursuant to Rule 14 and Appendix 2 of the Take-over Code, 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 percent (30%) or more, or if the voting rights of such Directors and their concert parties fall between thirty percent (30%) and fifty percent (50%) of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than one percent (1%) in any period of six (6) months, such Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code.

Shareholders (including Directors) and their concert parties who hold more than fifty percent (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 in full such number of Shares authorised by its Shareholders at the latest annual general meeting, 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.

(b) *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 percent (5%) of all the voting Shares ("**Substantial Shareholders**") as at the Latest Practicable Date and after the purchase by the Company (other than from the Substantial Shareholders) of the maximum of ten percent (10%) of the issued share capital of the Company pursuant to the Share Purchase Mandate as the case may be, are as follows:

	Before Share Purchases			After Share Purchases		
	Number of Shares			Number of Shares		
	Direct Interest	Deemed Interest	Total %(1)	Direct Interest	Deemed Interest	Total %(2)
Substantial Shareholders						
Ng Siew Hong	41,631,705	–	19.003	41,631,705	–	21.115
Aw Cheok Huat	10,000	21,900,000	10.001	10,000	21,900,000	11.112
Uniseraya Holdings Pte Ltd(3)	33,733,333	–	15.398	33,733,333	–	17.109
Ng Khim Guan(3)	166,666	33,733,333	15.474	166,666	33,733,333	17.194
Kwek Li Chien(3)	–	33,733,333	15.398	–	33,733,333	17.109
Ng Han Meng(4)	332	33,733,333	15.398	332	33,733,333	17.109
Ng Bie Tjin @ Djuniarti Intan(5)	10,000	35,038,133	15.998	10,000	35,038,133	17.776

Notes:

(1) Based on the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) of 219,074,844 Shares as at the Latest Practicable Date.

(2) Based on the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) of 197,167,360 Shares after purchase by the Company (other than from the Substantial Shareholders) of the maximum of ten percent (10%) of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) pursuant to the Share Purchase Mandate.

(3) Mr. Ng Khim Guan and Ms. Kwek Li Chien's deemed interests arise from the 33,733,333 Shares in which Uniseraya Holdings Pte Ltd has an interest.

(4) Mr. Ng Han Meng's direct interest in 332 Shares held in his own name, and his deemed interest arise from the 33,733,333 Shares in which Uniseraya Holdings Pte Ltd has an interest.

(5) Ms. Ng Bie Tjin @ Djuniarti Intan's direct interest in 10,000 Shares held in her own name, and her deemed interest arises from the 33,733,333 Shares in which Uniseraya Holdings Pte Ltd has an interest and the 1,304,800 Shares in nominee account(s).

Based on the above shareholdings of Substantial Shareholders of the Company as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date, in the event the Company undertakes Share Purchases of up to ten percent (10%) of the issued Shares (excluding treasury shares and subsidiary holdings) of the Company as permitted under the Share Purchase Mandate, the shareholdings and voting rights of the substantial shareholders will remain below thirty percent (30%) of the issued share capital (excluding treasury shares and subsidiary holdings) of the Company. Accordingly, none of the Substantial Shareholders of the Company would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

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 Securities Industry Council of Singapore 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.

2.11 SHARE PURCHASES TO DATE

As at the Latest Practicable Date, the Company did not purchase any Shares pursuant to the 2019 Mandate.

2.12 LIMITS ON SHAREHOLDINGS

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

3. THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

3.1 BACKGROUND

At the annual general meeting of the Company held on 13 November 2019 (the "**2019 AGM**"), approval of the Shareholders was obtained for the renewal of the shareholders mandate (the "**Shareholders' Mandate**") to enable the Company, its subsidiaries and associated companies that are entities are risk (as that term is used in Chapter 9 of the Listing Manual) to enter into certain interested person transactions ("**Interested Person Transactions**") with the classes of interested persons as set out in the Shareholders' Mandate.

The Shareholders' Mandate was expressed to take effect until the conclusion of the next annual general meeting of the Company being the 2020 AGM which is scheduled to be held on 27 November 2020 by electronic means. Accordingly, the Directors propose that the Shareholders' Mandate be renewed at the 2020 AGM, to take effect until the annual general meeting following the 2020 AGM. There is no change to the terms of the Shareholders' Mandate which is proposed to be renewed, that is, there are no changes to the interested persons subject to the Shareholders' Mandate, the transactions subject to the Shareholders' Mandate, and the guidelines and review procedures for the transactions subject to the Shareholders' Mandate.

3.2 DETAILS OF THE SHAREHOLDER'S MANDATE

Details of the Shareholder's Mandate, including the rationale for, and the benefits to, the Company and the guidelines and review procedures for determining transaction prices with the ICP Group are set out in the Annex to this Addendum.

3.3 VALIDITY PERIOD OF THE SHAREHOLDERS' MANDATE

If approved at the 2020 AGM, the Shareholders' Mandate will take effect from the date of the passing of the Ordinary Resolution to be proposed at the 2020 AGM and will (unless revoked or varied by the Company in a general meeting) continue to be in force until the subsequent annual general meeting.

The Company intends to seek the approval of Shareholders for the renewal of the Shareholders' Mandate annually. The renewal of the Shareholders' Mandate shall be subject to the satisfactory review by the Audit Committee of the continued need for the Shareholders' Mandate and the adequacy of the review procedures for the transactions.

3.4 DISCLOSURE IN THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The following will be undertaken in respect of the Hospitality-Related Transactions:

(a) disclosure will be made in the annual report of the Company, giving details of the aggregate value of all Hospitality-Related Transactions conducted with the ICP Group pursuant to the Shareholders' Mandate during the financial year under review and in the annual reports for the subsequent financial years during which the Shareholders' Mandate is in force;

(b) announcements will be made with regard to the aggregate value of transactions conducted pursuant to the Shareholders' Mandate for the financial periods which the Company is required to report on pursuant to Rule 705 of the Listing Manual within the time required for the announcement of such report; and

(c) disclosures of the Hospitality-Related Transactions will be presented in the form set out in Rule 907 of the Listing Manual as follows:

Name of Interested Person	Nature of relationship	Aggregate value of all Hospitality-Related Transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under the Shareholders' Mandate)	Aggregate value of all Hospitality-Related Transactions conducted under the Shareholders' Mandate

3.5 STATEMENT OF THE AUDIT COMMITTEE

Having considered, *inter alia*, the rationale for and the benefits of the renewal of the Shareholders' Mandate, the Audit Committee confirms that:

(a) the methods or procedures for determining the transaction prices have not changed since the Shareholders' Mandate obtained at the 2019 AGM; and

(b) the guidelines and review procedures referred to in sub-paragraph (a) above are sufficient to ensure that the Hospitality-Related Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

As previously announced, the Company will continue to comply with the additional requirements imposed by the SGX Exchange Regulation Pte Ltd in its Notice of Compliance dated 19 July 2019. In addition to and separate from the guidelines and review procedures under the Shareholder's Mandate, the Audit Committee (a) will review the terms of any hospitality-related agreement (including any hotel management agreement) to be entered into with the ICP Group in respect of any hotel in which the Company has an interest; and (b) be satisfied that such agreement is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

4. 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		Deemed	
	No. of Shares	%(1)	No. of Shares	%(1)
Directors				
Aw Cheok Huat	10,000	0.005	21,900,000	9.997
Teo Choon Kow @ William Teo	–	–	–	–
Choong Chee Peng Bert	–	–	–	–
Lau Yan Wai	–	–	–	–
Lee Kam Seng	–	–	–	–
Substantial shareholders				
Ng Siew Hong	41,631,705	19.003	–	–
Uniseraya Holdings Pte Ltd	33,733,333	15.398	–	–
Ng Khim Guan(2)	166,666	0.076	33,733,333	15.398
Kwek Li Chien(2)	–	–	33,733,333	15.398
Ng Han Meng(3)	332	–	33,733,333	15.398
Ng Bie Tjin @ Djuniarti Intan(4)	10,000	0.005	35,038,133	15.994

Notes:

(1) Based on the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) of 219,074,844 Shares as at the Latest Practicable Date.

(2) Mr. Ng Khim Guan and Ms. Kwek Li Chien's deemed interests arise from the 33,733,333 Shares in which Uniseraya Holdings Pte Ltd has an interest.

(3) Mr. Ng Han Meng's direct interest in 332 Shares held in his own name, and his deemed interest arise from the 33,733,333 Shares in which Uniseraya Holdings Pte Ltd has an interest.

(4) Ms. Ng Bie Tjin @ Djuniarti Intan's direct interest in 10,000 Shares held in her own name, and her deemed interest arises from the 33,733,333 Shares in which Uniseraya Holdings Pte Ltd has an interest and the 1,304,800 Shares in nominee account(s).

5. DIRECTORS' RECOMMENDATIONS

5.1 THE PROPOSAL RENEWAL OF THE SHARE PURCHASE MANDATE

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 8, being the ordinary resolution relating to the proposed renewal of the Share Purchase Mandate to be proposed at the 2020 AGM.

5.2 THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE

After having considered, *inter alia*, the rationale for and the benefits of the proposed renewal of the Shareholders' Mandate, the Independent Directors are of the opinion that the proposed renewal of the Shareholders' Mandate are in the interests of the Company and are not prejudicial to the interests of the minority shareholders and recommend that Shareholders vote in favor of Resolution 9, being the ordinary resolution relating to the renewal of the Shareholders' Mandate to be proposed at the 2020 AGM.

6. ABSTENTION FROM VOTING

Mr Aw Cheok Huat, who is an interested person in relation to the Shareholders' Mandate, will abstain and he has undertaken to ensure that his respective associates will abstain, from voting at the 2020 AGM in respect of Resolution 9 relating to the proposed renewal of the Shareholders' Mandate and will decline to accept appointment as proxies for Shareholders to vote on the abovementioned Resolution 9 at the 2020 AGM unless the Shareholder concerned shall have given specific instructions in his proxy form as to the manner in which his votes are to be cast in respect of such Ordinary Resolution.

7. ANNUAL GENERAL MEETING

The 2020 AGM, notice of which has been announced on 10 November 2020, will be held on 27 November 2020 at 3.00 p.m. by electronic means (for the purpose of considering and, if thought fit, passing, *inter alia*, the ordinary resolutions relating to the proposed renewal of the Share Purchase Mandate and Shareholders' Mandate).

8. ACTION TO BE TAKEN BY SHAREHOLDERS

8.1 NO ATTENDANCE AT THE 2020 AGM

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be able to attend the 2020 AGM in person.

8.2 ALTERNATIVE ARRANGEMENTS

Instead, alternative arrangements have been put in place to allow Shareholders to participate at the 2020 AGM.

Shareholders should refer to the Company's notice of the 2020 AGM, which has been despatched together with this Addendum to Notice of AGM 2020 and uploaded on SGXNET, for further information, including the steps to be taken by Shareholders to participate at the 2020 AGM. Such announcement may also be accessed at the URL http://www.datapulse.com.sg/.

9. 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

Lee Changwei, Eugene
Joint Company Secretary

10 November 2020

ANNEX

1. RATIONALE FOR RENEWAL OF THE SHAREHOLDERS' MANDATE AND BENEFITS TO THE GROUP

The Group has acquired and may in the future acquire hotels, serviced residences, serviced apartments, retirement homes and properties in the lifestyle, entertainment, meetings and convention sectors (the "**Hotels and Hospitality Assets**") as part of the its expanded business activities. As such, the Group would be required to procure services in Hospitality-Related Transactions (as defined below) for its Hotels and Hospitality Assets from hotel management companies.

Given that the ICP Group (as defined below) is in the business of, *inter alia*, providing services in Hospitality-Related Transactions, the Group wishes to obtain the approval of the Shareholders for the Renewal of the Shareholders' Mandate for services in Hospitality-Related Transactions provided by the ICP Group for the Group's Hotels and Hospitality Assets, should the ICP Group be appointed to provide such services.

The Group would benefit from the Shareholders' Mandate as it would enable the Group to (i) evaluate the Hospitality-Related Transactions offered by the ICP Group together with similar services offered by independent third parties in respect of the Group's Hotels and Hospitality Assets; and (ii) subject to the guidelines and review procedures set out in paragraph 4.1 of this Annex, consider and obtain Hospitality-Related Transactions from the ICP Group. The Group will benefit from the hotel management know-how from the ICP Group's dedicated staff members who have in-depth knowledge and experience of the hospitality industry and markets where the Group intends to explore opportunities to expand its hotel investment business.

Furthermore, the Shareholders' Mandate will facilitate and enhance the Group's ability to pursue business opportunities of a revenue or trading nature, and in the normal course of the Group's business, which are time-sensitive, as it will eliminate the need for the Company to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for the entry by the Group into such transactions, thereby reducing substantially administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities to the Group, provided that they are carried out on normal commercial terms and are not prejudicial to the Company and its minority shareholders.

2. THE ICP GROUP

The Shareholders' Mandate will apply to Hospitality-Related Transactions that are rendered by ICP Ltd. and its Subsidiaries and associated companies (collectively, the "**ICP Group**"). The ICP Group is in the business of, *inter alia*, providing hotel management and franchising services. Given that the ICP Group manages Hotels and Hospitality Assets under the Travelodge brand in various countries across Asia such as Malaysia, South Korea and Hong Kong, the Company is of the view that ICP Group is an international hospitality management company.

Mr Aw Cheok Huat ("**Mr Aw**") is the Company's Chairman and Non-Independent Non-Executive Director and is deemed to be interested in 10.0% of the Shares. Mr Aw is also the Controlling Shareholder of ICP Ltd. and is deemed to be interested in 20.81% of the shares in ICP Ltd. In addition, Mr Aw Ming-Yao Marcus (being the son of Mr Aw) is deemed to be interested in approximately 3.2% of the shares in ICP Ltd.

In view of the shareholding relationship between the Company and ICP Ltd., the Directors will treat the Hospitality-Related Transactions entered into with the ICP Group (see paragraph 3 of this Annex for the list of Hospitality-Related Transactions) as "interested person transactions" within the meaning defined in Chapter 9 of the Listing Manual. Accordingly, the Company will be seeking the renewal of the Shareholders' Mandate for the Group's Hotel and Hospitality Assets, should the ICP Group be appointed to provide such services under the Hospitality-Related Transactions.

3. THE NATURE AND SCOPE OF HOSPITALITY-RELATED TRANSACTIONS

The Hospitality-Related Transactions to be obtained from the ICP Group involve the following:

(a) management, technical and project management services for Hotels and Hospitality Assets in which the Group has an interest;

(b) administration and marketing services for Hotels and Hospitality Assets in which the Group has an interest;

(c) operational related services such as reservation, distribution, revenue management, procurement, IT, human resources and financial reporting services for the Hotels and Hospitality Assets in which the Group has an interest;

(d) feasibility study services for potential Hotels and Hospitality Assets in which the Group may acquire an interest; and

(e) such other services which are incidental to or in connection with the provision or obtaining of the services listed above, including reimbursement of expenses related to costs incurred by the ICP Group in relation to the provision of the aforementioned services,

(collectively, the "**Hospitality-Related Transactions**").

The Group anticipates that the Hospitality-Related Transactions will be rendered to the Group by the ICP Group pursuant to technical service agreements, hotel management agreements, hotel consultancy agreements, license agreements, franchise agreements, lease agreements, service level agreements to be entered into by the Group and the ICP Group.

The Hospitality-Related Transactions comprise recurrent transactions of a revenue or trading nature or those necessary for the Group's day-to-day operations, but are not in respect of the purchase and sale of assets, undertakings or businesses.

The Shareholders' Mandate will not cover any transactions entered into by a member of the Group with the ICP Group that is below S$100,000 in value as the threshold and aggregation requirements of Rules 905 and 906 of Chapter 9 of the Listing Manual would not apply to such transactions.

Transactions with the ICP Group that do not fall within the scope of the Shareholders' Mandate will be subject to the relevant provisions of Chapter 9 of the Listing Manual and/or other applicable provisions of the Listing Manual.

4. GUIDELINES AND REVIEW PROCEDURES UNDER THE SHAREHOLDERS' MANDATE

4.1 REVIEW PROCEDURES

In general, there are procedures established by the Group to ensure that Hospitality-Related Transactions with the ICP Group are undertaken on an arm's length basis and on normal commercial terms consistent with the Group's usual business practices and policies, which are generally not less favourable to the Group than those offered by unrelated third parties.

In particular, the following review procedures have been put in place.

(a) all contracts entered into or transactions with the ICP Group are to be carried out by obtaining quotations at the prevailing market rates or prices of the service or product providers. Further, quotations shall be obtained (wherever possible or available) from at least two other unrelated third party suppliers for similar quantities and/or quality of services or products, prior to the entry into the contract or transaction with the ICP Group, as a basis for comparison to determine whether the price and terms offered by the ICP Group are fair and reasonable and comparable to those offered by other unrelated third parties for the same or substantially similar type of services or products. In determining whether the price and terms offered by the ICP Group are fair and reasonable, factors such as, but not limited to, specification compliance, track record, experience and expertise, and where applicable, preferential rates, rebates or discounts, will also be taken into account; and

(b) in the event that such competitive quotations cannot be obtained (for instance, due to (i) the unwillingness or inability of certain third party vendors to operate in any particular country or region; (ii) differences between the profile of the relevant property with the brand and development strategy of the third party vendor; or (iii) the lack of interest from third party vendors due to existing relationships with other properties in the vicinity of the relevant property or due to the competitiveness in the vicinity of the relevant property.) or if the quotations cannot be obtained in time due to the time-sensitive nature of certain Hospitality-Related Transactions, the chief executive officer ("**CEO**") or such other senior management staff who are heads of departments and above or as designated by the Audit Committee (with no interest, direct or indirect in the transaction), will determine whether the price and terms offered by the ICP Group are fair and reasonable, having regard to the costs and benefits of entering into the transactions.

4.2 APPROVAL AND REVIEW THRESHOLDS

In addition to the review procedures, the following approval procedures will be implemented to supplement the Group's existing Policy on Directors' Conflicts of Interest as further described in paragraph 4.3 of this Annex to ensure that such transactions are undertaken on an arm's length basis and on normal commercial terms:

(a) Hospitality-Related Transactions equal to or exceeding S$100,000 but below the Financial Limit (as defined below) each in value, will be reviewed and approved by the CEO and/or the Financial Controller for the time being of the Company or such other senior management staff who are heads of department and above or as designated by the Audit Committee from time to time for such purpose, and tabled for review by the Audit Committee on a quarterly basis;

(b) Hospitality-Related Transactions equal to or exceeding the Financial Limit each in value will be reviewed and approved by the Audit Committee;

(c) Where the value of a transaction, when aggregated with previous transactions of the same kind in any particular financial year, is equal to or exceeds the Financial Limit, such transaction and all future transactions of the same kind in that particular financial year will be reviewed and approved by the Audit Committee;

(d) The CEO, the Financial Controller for the time being of the Company or such other senior management staff who are heads of department and above or as designated by the Audit Committee from time to time for such purpose, and the Audit Committee, may, as he/it deems fit, request for additional information pertaining to the transaction under review from independent sources or advisers, including obtaining the opinions of independent professional valuers or industry experts that the terms offered are in accordance with prevailing business practices or industry norms;

(e) If the CEO has any interest, whether directly or indirectly, in the Hospitality-Related Transaction, the review and approval process shall be undertaken by such other senior management staff who are heads of department and above or as designated by the Audit Committee from time to time for such purpose;

(f) If the CEO and/or such other senior management staff who are heads of department and above or as designated by the Audit Committee have an interest, whether directly or indirectly, in the Hospitality-Related Transaction, the review and approval process shall be undertaken by the Chairman of the Audit Committee or another member of the Audit Committee (who has no interest in the Hospitality-Related Transaction) designated by the Chairman of the Audit Committee from time to time for such purpose; and

(g) If a member of the Audit Committee has an interest in a Hospitality-Related Transaction, he shall abstain from participating in the review and approval process of the Audit Committee in relation to that Hospitality-Related Transaction.

For the purposes of sub-paragraphs (a), (b) and (c) above, the Financial Limit shall be the amount equivalent to 5.0% of the Company's consolidated NTA for the time being, as determined by reference to the Company's latest announced consolidated financial statements.

4.3 ADDITIONAL CONTROLS

4.3.1 The Company will maintain a register of Hospitality-Related Transactions carried out with the ICP Group (recording the basis, including the quotations obtained to support such basis, on which they are entered into), and the Company's annual internal audit plan will incorporate a review of the Hospitality-Related Transactions entered into in the relevant financial year pursuant to the Shareholders' Mandate and the appropriateness and sufficiency of the procedures and controls thereunder.

4.3.2 The Audit Committee will undertake a periodic review (of not less than half-yearly or such other period as may be determined by the Audit Committee) of the appropriateness and sufficiency of the review procedures of the Shareholders' Mandate and review the internal audit reports on the Hospitality-Related Transactions to ascertain that the guidelines and review procedures have been complied with.

4.3.3 If during any of the quarterly or annual (as the case maybe) reviews by the Audit Committee, the Audit Committee is of the view that the guidelines and review procedures for Hospitality-Related Transactions have become inappropriate or insufficient in the event of changes to the nature of, or manner in which, the business

activities of the Group or the ICP Group are conducted, the Company will seek a fresh mandate from Shareholders based on new guidelines and review procedures to ensure that Hospitality-Related Transactions will be carried out at arm's length, on commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. All Hospitality-Related Transactions will in the meantime be reviewed and approved by the Audit Committee prior to entry while a fresh mandate is being sought from the Shareholders.

4.3.4 The Company's existing Policy on Directors' Conflicts of Interest will provide guidance to Directors in recognizing and handling conflicts of interest situations. The policy expressly sets out certain formal Board procedures and communication channels to ensure that conflicts of interest are disclosed to the Board in a systematic manner. The policy is to be reviewed periodically by the Group's internal auditors to ensure its adequacy and effectiveness.

4.4 FURTHER COMPLIANCE

The Directors will ensure that all disclosure, approval and other requirements on Hospitality-Related Transactions, including those required by prevailing legislation, the Listing Manual and accounting standards, are complied with.