

POWERMATIC DATA SYSTEMS LIMITED

(Company Registration No.: 198900414E)
(Incorporated in the Republic of Singapore)

PROPOSED CAPITAL REDUCTION EXERCISE

– APPROVAL BY THE HIGH COURT OF SINGAPORE OF THE PROPOSED CAPITAL REDUCTION AND NOTICE OF RECORD DATE

1. INTRODUCTION

The board of directors (the “**Board**” or the “**Directors**”) of Powermatic Data Systems Limited (the “**Company**”) refers to its circular to shareholders of the Company (“**Shareholders**”) dated 7 September 2020 (the “**Circular**”) in relation to the proposed capital reduction exercise (the “**Capital Reduction**”) to be carried out by the Company pursuant to Section 78G of the Companies Act (Cap. 50) of Singapore (the “**Companies Act**”) read with Section 78I of the Companies Act, which will involve a capital distribution (the “**Cash Distribution**”) by the Company to Shareholders of S\$0.286 in cash for each ordinary share in the capital of the Company (the “**Share**”) held by a Shareholder as at the Record Date (as defined below) to be determined by the directors of the Company (the “**Directors**”) for the purpose of determining the entitlement of Shareholders.

At the extraordinary general meeting of the Company held on 29 September 2020, the Shareholders had approved the Capital Reduction.

Unless otherwise defined, all capitalised terms and references used herein shall bear the same meaning ascribed to them in the Circular.

2. CONFIRMATION BY THE HIGH COURT

The Board is pleased to announce that the Capital Reduction was approved by the High Court of the Republic of Singapore on 20 October 2020. There are no other outstanding conditions to the Capital Reduction. Accordingly, the Capital Reduction will become effective upon the lodgement by the Company of the Order of Court approving the Capital Reduction, together with the other documents prescribed under the Companies Act, with the Accounting and Corporate Regulatory Authority, which is expected to be on 16 November 2020. The exact entitlements of the Shareholders to the Cash Distribution will be determined as at the Record Date.

3. NOTICE OF RECORD DATE

NOTICE IS HEREBY GIVEN that the transfer books and the Register of Members of the Company will be closed at 5.00 p.m. on 6 November 2020 (the “**Record Date**”) for the purpose of determining the entitlements of Shareholders to the Cash Distribution pursuant to the Capital Reduction.

Shareholders registered in the Register of Members and Depositors whose Securities Accounts with CDP are credited with Shares as at the Record Date will be entitled to receive the Cash Distribution of S\$0.286 for each Share held as at the Record Date on the basis of the number of Shares registered in their names or standing to the credit of their Securities Accounts as at the Record Date. The aggregate amount of cash to be paid to each Shareholder pursuant to the Capital Reduction will be adjusted by rounding down any fractions of a cent to the nearest cent, where applicable.

Duly completed registrable transfer of Shares received by the Share Registrar of the Company, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, up to the Record Date will be registered to determine Shareholders’ entitlements to the Cash Distribution.

4. ADMINISTRATIVE PROCEDURES FOR THE CAPITAL REDUCTION

Payment of the Cash Distribution pursuant to the Capital Reduction will be made in the following manner:

(a) Shareholders holding Scripless Shares

Shareholders who are Depositors and who have Shares standing to the credit of their Securities Accounts as at the Record Date, will have the payment of their respective entitlements to the Cash Distribution under the Proposed Capital Reduction credited directly into their designated bank accounts by CDP via CDP's direct crediting service on or about 17 November 2020. Alternatively, such Shareholders will have payment of their respective entitlements to the Cash Distribution under the Capital Reduction made in such other manner as they may have agreed with CDP for the payment of dividends or other distributions on or around 17 November 2020.

(b) Shareholders holding Scrip Shares

Shareholders whose Shares are registered in the Register of Members as at the Record Date will have cheques for payment of their respective entitlements to the Cash Distribution under the Capital Reduction despatched to them by ordinary post at their own risk on or around 17 November 2020.

The Company will provide Shareholders with an update on the effective date of the Capital Reduction and the date of payment of the Cash Distribution, which are expected to take place around 16 November 2020 and 17 November 2020 respectively.

5. TRADING OF SHARES

The last date and time of "cum" trading of the Shares on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the purposes of the Capital Reduction will be on 4 November 2020 at 5.00 p.m. Shareholders should note that Shares traded from 9.00 a.m. on 5 November 2020 will not be entitled to the Cash Distribution pursuant to the Capital Reduction.

6. IMPORTANT EVENTS AND DATES

Shareholders should note the following events and dates:

Last date and time of "cum" trading of the Shares on the SGX-ST	:	4 November 2020 at 5.00 p.m.
Commencement of "ex" trading of the Shares on the SGX-ST	:	5 November 2020 at 9.00 a.m.
Record Date for the Capital Reduction	:	6 November 2020 at 5.00 p.m.
Expected effective date of the Capital Reduction	:	On or about 16 November 2020
Expected payment date for the Cash Distribution pursuant to the Capital Reduction	:	On or about 17 November 2020

BY ORDER OF THE BOARD

Dr Chen Mun
Chairman/Chief Executive Officer

20 October 2020