

DATASONIC GROUP BERHAD (“DATASONIC” OR “THE COMPANY”)

- LETTER OF AWARD (“LOA”) FROM JABATAN PENDAFTARAN NEGARA MALAYSIA (“JPN”) TO DATASONIC TECHNOLOGIES SDN BHD (“DTSB”), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

1. INTRODUCTION

The Board of Directors of Datasonic is pleased to announce that DTSB has on 14 October 2020 received and accepted the LOA dated 6 October 2020 from JPN in respect of supply and delivery services of MyTentera raw cards for the use of JPN (“Contract”) for a period of twelve (12) months commencing from 15 October 2020 to 14 October 2021 for a contract sum of RM408,000.00.

2. SALIENT TERMS OF THE LOA

Under the terms of the LOA, DTSB is required to furnish a performance bond for the amount of RM10,200.00 to JPN, with validity period commencing from 15 October 2020 to 14 October 2022.

3. RISK FACTORS

The Contract is subject to normal business risks such as increase in cost due to any escalation of material costs and contractual terms including default provisions. As such, the management would put in place control measures and operational procedures to reduce the impact or likelihood of such events.

4. FINANCIAL EFFECTS

The Contract is expected to contribute positively towards the future earnings and net assets per share of Datasonic Group for the financial year ending 31 March 2021 and the financial year thereafter for the duration of the Contract and will not have any effect on the share capital and substantial shareholders’ shareholdings of Datasonic Group.

5. DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ INTEREST

None of the Directors or Substantial Shareholders of Datasonic or persons connected with them has any interest, whether direct or indirect in the Contract.

This announcement is dated 14 October 2020.