

APPENDIX CIRCULAR TO THE ANNUAL REPORT DATED 8 JULY 2024

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

This Circular, together with the Notice of AGM and the accompanying Proxy Form have been made available on SGXNet and the Company's website at <https://www.zeus.com/category/announcements/>. Printed copies of this Circular will NOT be sent to Shareholders. Printed copies of the Notice of AGM and the accompanying Proxy Form will be sent to Shareholders.

If you have sold or transferred all your shares in the capital of Zeus Systems Holdings Ltd. (the "**Company**"), you should immediately forward the Notice of AGM and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. You should also inform the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward notification to the purchaser, that this Circular together with the Notice of AGM and the accompanying Proxy Form may be accessed on SGXNet and the Company's website set out below.

The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.



AZEUS SYSTEMS HOLDINGS LTD.

(Incorporated in Bermuda on 10 May 2004)

(Registration Number: 35312)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO
THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE**

IMPORTANT DATES AND TIMES:

Last date and time for lodgment of Proxy Form : 28 July 2024 at 3.00 p.m.

Date and time of AGM held at the physical location stated below and by electronic means : 30 July 2024 at 3.00 p.m.

Physical location of the AGM: : Hercules & Cygnus Room, Novotel Singapore On Stevens, 28 Stevens Road, Singapore 257878

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

- “2023 AGM”** : The annual general meeting of the Company or the financial year ended 31 March 2023 which was held on 31 July 2023
- “2023 Annual Report”** : The annual report of the Company for the financial year ended 31 March 2023
- “2023 Circular”** : The appendix circular to the 2023 Annual Report of the Company dated 10 July 2023
- “2023 Notice of AGM”** : The notice of 2023 AGM dated 10 July 2023
- “AGM”** : The annual general meeting of the Company to be convened and held physically at Hercules & Cygnus Room, Novotel Singapore On Stevens, 28 Stevens Road, Singapore 257878 and by electronic means on 30 July 2024 at 3.00 p.m.
- “Annual Report”** : The annual report of the Company for the financial year ended 31 March 2024
- “Approval Date”** : The date of the AGM at which approval for the Proposed Renewal of the Buy-back Mandate is sought
- “associate”** : (a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more.
- (b) In relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Average Closing Price”** : Means:
- (a) in the case of a Market Purchase, the average of the Closing Market Prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded on the SGX-ST, immediately preceding the date of the Market Purchase by the Company; or
 - (b) in the case of an Off-Market Purchase, the average of the Closing Market Prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded on the SGX-ST, immediately preceding the date of the making of the offer pursuant to the Off-Market Purchase,

DEFINITIONS

	and deemed to be adjusted, in accordance with the Listing Manual, for any corporate action that occurs during such five (5) Market Day period and the day of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase
“Bermuda Companies Act”	: The Companies Act 1981 of Bermuda, as amended or modified from time to time
“Board”	: The board of Directors of the Company as at the Latest Practicable Date
“Bye-Laws”	: The bye-laws of the Company, as amended, supplemented or modified from time to time
“CDP”	: The Central Depository (Pte) Limited
“Circular”	: This appendix circular to the Annual Report of the Company dated 8 July 2024
“Closing Market Price”	: The last dealt price for a Share transacted through the SGX-ST’s trading system as shown in any publication of the SGX-ST or other sources
“Companies Act”	: The Companies Act 1967 of Singapore, as amended or modified from time to time
“Company”	: Azeus Systems Holdings Ltd.
“Controlling Shareholder”	: A person who: (a) holds directly or indirectly 15.0% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over the Company
“date of the making of the offer”	: Means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from 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
“Director(s)”	: The directors of the Company at the Latest Practicable Date
“EPS”	: Earnings per Share
“Group”	: The Company together with its subsidiaries
“Latest Practicable Date”	: 24 June 2024, being the latest practicable date prior to the issue of this Circular
“Listing Manual”	: The listing manual of the SGX-ST, as amended or modified from time to time
“Market Day”	: A day on which the SGX-ST is open for trading in securities

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“Market Purchase”	:	An on-market purchase, transacted on the SGX-ST through the ready market on the SGX-ST trading system, through one or more duly licensed stockbrokers appointed by the Company for such purpose
“Maximum Price”	:	Means: (a) in the case of a Market Purchase, 105.0% of the Average Closing Price of the Shares; and (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120.0% of the Average Closing Price, in either case, excluding related expenses of the Market Purchase or Off-Market Purchase (as the case may be)
“Memorandum”	:	The Memorandum of Association of the Company, as amended, modified or supplemented from time to time
“Notice of AGM”	:	The notice of AGM dated 8 July 2024
“NTA”	:	Net tangible assets
“Off-Market Purchase”	:	An off-market purchase effected in accordance with an equal access scheme as defined in Section 76C of the Companies Act
“Proposed Renewal of the Share Buy-Back Mandate”	:	The proposed renewal of the Share Buy-back Mandate
“Proxy Form”	:	The proxy form attached to the Notice of AGM
“Purchase Price”	:	The purchase price paid by the Company for Shares which are purchased or acquired entirely out of the capital of the Company (excluding brokerage, commission, applicable goods and services tax and other related expenses)
“Securities Account”	:	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
“SFA”	:	The Securities and Futures Act 2001 of Singapore, as amended or modified from time to time
“SGX-ST” or the “Exchange”	:	Singapore Exchange Securities Trading Limited
“Share Buy-back”	:	The purchase or acquisition by the Company of Shares pursuant to the Share Buy-Back Mandate
“Share Buy-back Mandate”	:	The mandate to authorise the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares on the terms of such mandate
“Share Registrar”	:	The share registrar of the Company
“Shareholders”	:	Registered holders for the time being of the Shares (other than CDP), or in the case of Depositors, Depositors who have Shares entered against their name in the Depository Register.

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“Shares”	:	Ordinary shares in the share capital of the Company
“SIC”	:	The Securities Industry Council of Singapore
“SRS Investor”	:	An investor who holds shares under the Supplementary Retirement Scheme
“Substantial Shareholder”	:	A person (including a corporation) who (a) has an interest or interests in one or more voting shares in a company and (b) the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the company
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
“Treasury Shares”	:	A Share that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled
“HK\$” or “HK cents”	:	Hong Kong dollars and cents, respectively
“S\$” or “Singapore cents”	:	Singapore dollars and cents, respectively
“US\$” or “US cents”	:	American dollars and cents, respectively
“%” or “per cent.”	:	Percentage or per centum

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them, respectively, under Section 81SF of the SFA.

The terms “**subsidiary**”, “**subsidiary holdings**”, “**holding company**” and “**associated company**” shall have the meanings ascribed to it in the Listing Manual and Section 5 of the Companies Act, as the case may be.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Bermuda Companies Act, the Companies Act, the SFA, the Listing Manual, the Take-Over Code or any relevant laws of Singapore or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Bermuda Companies Act, the Companies Act, the SFA, the Listing Manual, the Take-Over Code or any relevant laws of Singapore or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables included herein between the amounts therein and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Exchange Rate

Unless otherwise stated, the exchange rate between HK\$ and S\$ as at the Latest Practicable Date was S\$1:HK\$5.7604, as quoted by the Monetary Authority of Singapore.

LETTER TO SHAREHOLDERS

AZEUS SYSTEMS HOLDINGS LTD.

(Incorporated in Bermuda on 10 May 2004)
(Registration Number: 35312)

Directors:

Mr Lee Wan Lik (Executive Chairman and Director)
Mr Michael Yap Kiam Siew (Chief Executive Officer and Deputy Chairman)
Mr Stephen Ho ChiMing (Lead Independent Director)
Professor Chan Ching Chuen (Independent Director)
Professor Chee Yeow Meng (Independent Director)

Registered Office:

Victoria Place 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

8 July 2024

To: The Shareholders of Azeus Systems Holdings Ltd.

Dear Shareholders,

THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE**1. INTRODUCTION**

- 1.1. The Directors refer to the: (i) Notice of AGM dated 8 July 2024 accompanying the Annual Report to convene the AGM; and (ii) Ordinary Resolution 8 in relation to the Proposed Renewal of the Share Buy-Back Mandate as set out in the Notice of AGM.
- 1.2. The purpose of this Circular is to provide Shareholders with information relating to the Proposed Renewal of the Share Buy-Back Mandate and to seek Shareholders' approval for Ordinary Resolution 8 in relation to the Proposed Renewal of the Share Buy-Back Mandate to be tabled at the AGM. This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than the Shareholders) or for any other purpose.
- 1.3. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Circular.
- 1.4. Morgan Lewis Stamford LLC has been appointed as the legal adviser to the Company as to Singapore law in relation to the Proposed Renewal of the Share Buy-Back Mandate.
- 1.5. Ocorian Law (Bermuda) Limited has been appointed as the legal adviser to the Company as to Bermuda law in relation to the Proposed Renewal of the Share Buy-Back Mandate.

2. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE**2.1. Background**

Under the Bermuda Companies Act, a company incorporated in Bermuda may, if authorised to do so by its memorandum of association or bye-laws, purchase its own shares provided that no such purchase may be effected if, on the date which the purchase is to be effected, there are reasonable grounds for believing that the company is, or after the purchase would be, unable to pay its liabilities as they become due. Bye-Law 7(B) provides that the Company may purchase its own Shares.

Under Rule 881 of the Listing Manual, an issuer may purchase its own shares if it has obtained the prior specific approval of shareholders in general meeting. Accordingly, approval is being sought from the Shareholders at the AGM for the Proposed Renewal of the Share Buy-Back Mandate to enable the Company to purchase or acquire its issued Shares. At the 2023 AGM, Shareholders had approved the renewal of the Share Buy-Back Mandate. The authority and limitations of the Share Buy-Back Mandate were set out in the 2023 Circular and the 2023 Notice of AGM. The

LETTER TO SHAREHOLDERS

authority conferred by the Share Buy-Back Mandate renewed at the 2023 AGM was expressed to continue in force up to the date on which the next AGM is held or required by law to be held and, as such, would be expiring on 30 July 2024, being the date of the forthcoming AGM. Accordingly, the Directors propose that the Share Buy-Back Mandate be renewed at the forthcoming AGM.

If approved at the AGM, the authority conferred by the Share Buy-back Mandate will take effect from the date thereof and continue in force until the next annual general meeting of the Company (whereupon it will lapse, unless renewed at such meeting), 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), or the date on which purchases and acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated, whichever is the earliest.

2.2. Rationale for the Proposed Renewal of the Share Buy-Back Mandate

The rationale for the Company to undertake the purchase or acquisition of its issued Shares is as follows:

- (a) the Share Buy-Back Mandate will provide the Directors the flexibility to undertake Share Buy-Backs at any time, subject to market conditions, during the period when the Share Buy-Back Mandate is in force;
- (b) buying back Shares provides the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient, effective and cost-efficient manner;
- (c) to mitigate short-term share price volatility, offset the effects of short-term speculation and bolster Shareholders' confidence; and
- (d) the Share Buy-Back Mandate allows for greater control and flexibility over the Company's share capital structure, dividend payout and cash reserves with a view towards maximizing returns to Shareholders.

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

While the Share Buy-Back Mandate authorises a purchase or acquisition of Shares up to the 10.0% limit described in Section 2.3.1 below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate may not be carried out to the full limit as authorised. In particular, the Directors will not effect the purchase or acquisition of the Shares to be made in circumstances which would have an adverse effect on the free float, liquidity, orderly trading of the Shares and/or financial position of the Group.

Any Share Buy-Back will have to be made in accordance with, and in the manner prescribed by, the Bermuda Companies Act, the Bye-Laws, the Memorandum, the Take-over Code, and such other laws and regulations as may, for the time being, be applicable. As the Company is listed on the SGX-ST, it is also required to comply with Part XIII of Chapter 8 of the Listing Manual, which relates to the purchase or acquisition of issued ordinary shares in the capital of a company listed on the SGX-ST.

2.3. Authority and Limits of the Share Buy-Back Mandate

The authority and limitations placed on purchases of Shares by the Company under the Share Buy-Back Mandate, if renewed at the AGM, are substantially the same as those previously approved by Shareholders at the AGM and are summarised below:

2.3.1. Maximum Number of Shares

Pursuant to the Share Buy-Back Mandate, the Company may only acquire Shares that are issued and fully paid-up.

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The total number of Shares that may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate is limited to that number of Shares representing not more than 10.0% of the total number of issued shares (excluding Treasury Shares and subsidiary holdings) as at the Approval Date, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Bermuda Companies Act, in which event the total number of Shares of the Company shall be taken to be the total number of issued Shares as altered after such capital reduction. Any Shares held as Treasury Shares or subsidiary holdings will be disregarded for the purposes of computing the 10.0% limit.

For illustrative purposes only, based on the existing total number of issued Shares as at the Latest Practicable Date, comprising 29,999,993 Shares (excluding Shares held as Treasury Shares and subsidiary holdings), and assuming that no further Shares are issued on or prior to the AGM, not more than 2,999,999 Shares (representing 10.0% of the issued Shares as at that date excluding Treasury Shares and subsidiary holdings) may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate.

2.3.2. Duration of Authority

The purchase or acquisition of Shares may be made at any time and from time to time, on and from the Approval Date up to the earliest of:

- (a) the date on which the next annual general meeting of the Company is held or required by law to be held;
- (b) the date on which the purchases and acquisitions of Shares by the Company pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by ordinary resolution of the Shareholders in general meeting.

The authority conferred on the Directors by the Share Buy-Back Mandate to purchase or acquire Shares may be renewed at a general meeting of the Company

2.3.3. Manner of Share Buy-Backs

Purchases or acquisitions of Shares may be made by way of the following:

- (a) an on-market purchase on the SGX-ST through the ready market on the SGX-ST trading system, through one or more duly licensed stockbrokers appointed by the Company for such purpose ("**Market Purchases**"); and/or
- (b) an off-market purchase effected 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 Buy-Back Mandate, the Listing Manual, the Bermuda Companies Act, the Memorandum and the Bye-Laws and/or other applicable laws and regulations, as they consider fit in the interests of the Company, in connection with or in relation to any equal access scheme(s). Off-Market Purchases must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of his Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and

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- (iii) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
 - (2) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid (if applicable); and
 - (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, the Company must, as required by the Listing Manual, issue an offer document to all Shareholders which must contain at least the following information:

- (A) the terms and conditions of the offer;
- (B) the period and procedures for acceptances;
- (C) the reasons for the proposed purchase or acquisition of Shares;
- (D) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (E) whether the purchases or acquisitions of Shares, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (F) details of any purchases or acquisitions of Shares made by the Company in the previous twelve (12) months whether through On-Market Purchases or Off-Market Purchases, including the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such purchases or acquisitions, where relevant, and the total consideration paid for such purchases or acquisitions; and
- (G) whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

2.3.4. Maximum Purchase Price

The purchase price (excluding ancillary expenses such as related brokerage commission, applicable goods and services tax, stamp duties and clearance fees) to be paid for a Share will be determined by the Directors, provided that such purchase price must not exceed:

- (a) in the case of a Market Purchase, 105.0% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120.0% of the Average Closing Price,

In either case, excluding related expenses of the Market Purchase or Off-Market Purchase (as the case may be) (the “**Maximum Price**”).

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2.4. Status of Purchased Shares

At the time of each Share Buy-Back, the Company may decide whether the Shares purchased will be (a) cancelled, (b) held as Treasury Shares in accordance with the Bermuda Companies Act, or (c) partly cancelled and partly held as Treasury Shares, depending on the needs of the Company and as the Directors deem fit in the interests of the Company at that time.

Under the Bermuda Companies Act, any Share which is purchased by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share will expire on such cancellation) unless such Share is purchased or acquired to be held and is held by the Company as a Treasury Share. When Shares purchased or acquired by the Company are cancelled and not held as Treasury Shares, the issued share capital of the Company will be diminished by the nominal value of such Shares purchased or acquired by the Company. This shall not be taken as reducing the Company's authorised share capital.

Any Shares purchased or acquired by the Company (and not held as Treasury Shares by the Company) and cancelled will automatically be delisted by the SGX-ST and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase. 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.

2.5. Treasury Shares

Under the Bermuda Companies Act, Shares purchased by the Company may be held or dealt with as treasury shares. Some provisions on treasury shares under the Bermuda Companies Act and the Listing Manual are summarised below:

2.5.1. Maximum Holdings

The number of Shares held as Treasury Shares cannot at any time exceed 10.0% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings) of the Company.

2.5.2. Voting and other Rights

The Company cannot exercise any right in respect of Treasury Shares including any right to attend and vote at meetings, including a meeting under Section 99 of the Bermuda Companies Act, and any purported exercise of such a right is void.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets may be made, to the Company in respect of Treasury Shares (including any distribution of assets to members on a winding up). However, the allotment of Shares as fully paid bonus Shares in respect of Treasury Shares is allowed. Any such bonus Shares shall be treated for the purposes of the Bermuda Companies Act as if they had been acquired by the Company at the time they were allotted.

2.5.3. Disposal and Cancellation

The Shares purchased by the Company may either be cancelled or held as Treasury Shares. If the Shares purchased are cancelled, the Company's issued share capital, but not its authorised share capital, will be diminished accordingly. Under the Bermuda Companies Act, if a company holds shares as treasury shares, the company shall be entered in the register of members as the member holding the shares but the company is not permitted to exercise any rights in respect of those shares (including any right to attend and vote at meetings) and no dividend or other distribution (whether in cash or otherwise) shall be paid or made to the company in respect of such shares.

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Where the Company acquires its Shares to be held as Treasury Shares, the Company may at any time (but subject always to the Take-over Code):

- (a) continue to hold all or any of such Treasury Shares;
- (b) sell, dispose of, or transfer all or any of such Treasury Shares for cash or other consideration, subject to compliance with the Listing Manual;
- (c) transfer all or any Treasury Shares for the purpose of or pursuant to an employee share option or award scheme;
- (d) cancel all or any of such Treasury Shares; or
- (e) allot Treasury Shares as fully-paid bonus Shares.

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. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such Treasury Shares, the purpose of such sale, transfer, cancellation and/or use of such Treasury Shares, the number of Treasury Shares which have been sold, transferred, cancelled and/or used, the number of Treasury Shares before and after such sale, transfer, cancellation and/or use, the 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 the value of the Treasury Shares if they are used for a sale or transfer, or cancelled.

2.5.4. Shares purchased by the Company will not be held as Treasury Shares until and unless the Bye-Laws and the Memorandum have been amended to permit the Company to do so.

2.6. Source of Funds

Under the Bermuda Companies Act, a purchase or acquisition by the Company of its Shares may only be funded out of capital paid up on the Shares to be purchased or acquired, or out of the funds of the Company which would otherwise be available for dividend or distribution, or out of the proceeds of a fresh issue of Shares made for the purposes of the purchase or the acquisition, and the premium payable, if any, on the purchase or the acquisition (i.e. the amount paid in excess of the nominal or par value of the Shares to be purchased or acquired) must be provided for out of the funds of the Company which would otherwise be available for dividend or distribution, or out of the Company's share premium account, before the Shares are purchased or acquired.

In undertaking share purchases, the Company may only apply funds legally available for such purchase in accordance with the Bermuda Companies Act, the Bye-Laws and the applicable laws in Singapore. The Company may not purchase its Shares for consideration other than cash or, in the case of a Market Purchase, for settlement other than in accordance with the trading rules of the SGX-ST. No purchase or acquisition by the Company of its Shares may be effected if, on the date on which the purchase or acquisition is effected, there are reasonable grounds for believing that the Company is, or after the purchase or acquisition would be, unable to pay its liabilities as they become due.

When Shares are purchased or acquired, and cancelled:

- (a) if the Shares are purchased or acquired entirely out of the capital of the Company, the Company shall reduce the amount of its share capital by the total amount of the purchase price paid by the Company for such Shares (excluding brokerage, commission, applicable goods and services tax and other related expenses) (the "**Purchase Price**");

LETTER TO SHAREHOLDERS

- (b) if the Shares are purchased or acquired entirely out of profits of the Company, the Company shall reduce the amount of its profits available for the distribution of cash dividends by the total amount of the Purchase Price; or
- (c) if the Shares are purchased or acquired out of both the capital and the profits of the Company, the Company shall reduce the amount of its share capital and profits available for the distribution of cash dividends proportionately by the total amount of the Purchase Price.

The Company intends to use the funds of the Company (which consist of dividends or distributions paid out by the Group and which would otherwise be available for dividend or distribution) to finance the purchase or acquisition of its Shares.

The Board will only make purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate in circumstances which they believe will not adversely affect the financial condition of the Company or the includes Group.

2.7. Financial Effects

The financial effects on the Company and the Group arising from a purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate on the Company and the Group will depend on, inter alia, the number of Shares purchased or acquired, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the consideration paid for such Shares, whether the Shares purchased or acquired are held in treasury or cancelled and whether the purchase or acquisition is an On-Market Purchase or an Off-Market Purchase.

The Company's total number of issued Shares will be diminished by the total number of the Shares purchased by the Company and which are cancelled. The net tangible assets of the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

For illustrative purposes only, the financial effects arising from a purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate, based on the audited consolidated financial statements of the Group for the financial year ended 31 March 2024 are based on the assumptions set out below.

2.7.1. Share Buy-Back out of Capital and/or Profits

Under the Bermuda Companies Act, a purchase or acquisition by a company of its own shares may only be funded out of the capital paid up on the purchased shares or out of the funds of the company which would otherwise be available for dividend or distribution, or out of the proceeds of a fresh issue of shares made for the purposes of the purchase or the acquisition. Any premium payable on a purchase or acquisition over the nominal or par value of the shares to be purchased or acquired must be provided for out of funds of the company which would otherwise be available for dividend or distribution, or out of the company's share premium account, before the shares are purchased or acquired.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding any expenses incurred directly in the purchase or acquisition of Shares) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

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

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2.7.2. Number of Shares Purchased or Acquired

As at the Latest Practicable Date, the Company has 29,999,993 Shares in issue. The Company does not hold any Treasury Shares and does not have any subsidiary holdings.

Based on the issued and paid-up Shares as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the AGM, the purchase or acquisition by the Company of up to the maximum limit of 10.0% of its issued Shares (excluding Treasury Shares and subsidiary holdings) will result in the purchase or acquisition of 2,999,999 Shares.

2.7.3. Maximum Price Paid for Shares Purchased or Acquired

In the case of Market Purchases by the Company, assuming that the Company purchases or acquires 2,999,999 Shares (representing 10.0% of the total number of issued Shares (excluding any Treasury Shares and subsidiary holdings) as at the Latest Practicable Date) at the Maximum Price of S\$10.06 (equivalent to HK\$57.94) for one Share (being the price equivalent to 105.0% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 2,999,999 Shares is approximately S\$30,177,000 (equivalent to HK\$173,831,000) (excluding ancillary expenses such as related brokerage, commission, goods and services tax, stamp duties, clearance fees and other related expenses (where applicable)).

In the case of Off-Market Purchases by the Company, assuming that the Company purchases or acquires 2,999,999 Shares (representing 10.0% of the total number of issued Shares (excluding any Treasury Shares and subsidiary holdings) as at the Latest Practicable Date) at the Maximum Price of S\$11.50 (equivalent to HK\$66.22) for one Share (being the price equivalent to 120.0% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 2,999,999 Shares is approximately S\$34,488,000 (equivalent to HK\$198,664,000) (excluding ancillary expenses such as related brokerage, commission, goods and services tax, stamp duties, clearance fees and other related expenses (where applicable)).

2.7.4. Illustrative Financial Effects

For illustrative purposes only, on the basis of the assumptions set out above and the following:

- (a) the financial effects are calculated based on the maximum limit of 10.0% of the Company's issued Shares (excluding any Treasury Shares and subsidiary holdings) and maximum price paid for Shares purchased or acquired;
- (b) no new Shares were issued after the Latest Practicable Date;
- (c) the Share Buy-Backs are financed solely by internal resources of the Company; and
- (d) the transaction costs incurred for such purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate are assumed to be insignificant and have been ignored for the purpose of computing the financial effects,

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The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 March 2024, are set out below:

On-Market Purchase

	Group			Company		
	Before Share Buy-Backs (HK\$'000)	After Share Buy-Backs (HK\$'000)		Before Share Buy-Backs (HK\$'000)	After Share Buy-Backs (HK\$'000)	
		Purchased Shares Cancelled	Purchased Shares held as Treasury shares		Purchased Shares Cancelled	Purchased Shares held as Treasury shares
<u>As at 31 March 2024</u>						
Profit after tax and minority interests	84,993	84,993	84,993	59,502	59,502	59,502
Equity attributable to equity holders of the Company	159,204	(14,627)	(14,627)	140,390	(33,441)	(33,441)
NTA ⁽¹⁾	159,204	(14,627)	(14,627)	140,390	(33,441)	(33,441)
Current Assets	283,021	109,190	109,190	88,522	(85,309)	(85,309)
Current Liabilities	124,491	124,491	124,491	1,934	1,934	1,934
Working Capital	158,530	(15,301)	(15,301)	86,588	(87,243)	(87,243)
Total Borrowings	N/A	N/A	N/A	N/A	N/A	N/A
Total Liabilities	164,112	164,112	164,112	1,934	1,934	1,934
Cash and Bank Deposits	183,378	9,547	9,547	731	(173,100)	(173,100)
Number of Shares (excluding Treasury Shares) ⁽²⁾	29,999,993	26,999,994	26,999,994	29,999,993	26,999,994	26,999,994
Treasury Shares	Nil	Nil	2,999,999	Nil	Nil	2,999,999
<u>Financial Ratios</u>						
EPS ⁽³⁾	HK\$2.83	HK\$3.15	HK\$3.15	HK\$1.98	HK\$2.20	HK\$2.20
NTA per Share ⁽⁴⁾	HK\$5.31	(HK\$0.54)	(HK\$0.54)	HK\$4.68	(HK\$1.24)	(HK\$1.24)
Current Ratio (times)	2.3	0.9	0.9	45.8	(44.1)	(44.1)

Notes:

- (1) NTA refers to net assets less intangible assets.
- (2) Based on the total number of 29,999,993 issued Shares (excluding any Treasury Shares and subsidiary holdings) as at the Latest Practicable Date
- (3) EPS is calculated by the net profit attributable to owners of the Company divided by the weighted average number of Shares (excluding Treasury Shares) during the financial year ended 31 March 2024.
- (4) NTA per Share is calculated by the NTA divided by the number of Shares (excluding Treasury Shares) outstanding as at the Latest Practicable Date.

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Off-Market Purchase

	Group			Company		
	Before Share Buy-Backs (HK\$'000)	After Share Buy-Backs (HK\$'000)	Purchased Shares held as Treasury shares	Before Share Buy-Backs (HK\$'000)	After Share Buy-Backs (HK\$'000)	Purchased Shares held as Treasury shares
As at 31 March 2024						
Profit after tax and minority interests	84,993	84,993	84,993	59,502	59,502	59,502
Equity attributable to equity holders of the Company	159,204	(39,460)	(39,460)	140,390	(58,274)	(58,274)
NTA ⁽¹⁾	159,204	(39,460)	(39,460)	140,390	(58,274)	(58,274)
Current Assets	283,021	84,357	84,357	88,522	(110,142)	(110,142)
Current Liabilities	124,491	124,491	124,491	1,934	1,934	1,934
Working Capital	158,530	(40,134)	(40,134)	86,588	(112,076)	(112,076)
Total Borrowings	N/A	N/A	N/A	N/A	N/A	N/A
Total Liabilities	164,112	164,112	164,112	1,934	1,934	1,934
Cash and Bank Deposits	183,378	(15,286)	(15,286)	731	(197,933)	(197,933)
Number of Shares (excluding Treasury Shares) ⁽²⁾	29,999,993	26,999,994	26,999,994	29,999,993	26,999,994	26,999,994
Treasury Shares	Nil	Nil	2,999,999	Nil	Nil	2,999,999
Financial Ratios						
EPS ⁽³⁾	HK\$2.83	HK\$3.15	HK\$3.15	HK\$1.98	HK\$2.20	HK\$2.20
NTA per Share ⁽⁴⁾	HK\$5.31	(HK\$1.46)	(HK\$1.37)	HK\$4.68	(HK\$2.16)	(HK\$2.16)
Current Ratio (times)	2.3	0.7	0.7	45.8	(56.9)	(56.9)

Notes:

- (1) NTA refers to net assets less intangible assets.
- (2) Based on the total number of 29,999,993 issued Shares (excluding any Treasury Shares and subsidiary holdings) as at the Latest Practicable Date
- (3) EPS is calculated by the net profit attributable to owners of the Company divided by the weighted average number of Shares (excluding Treasury Shares) during the financial year ended 31 March 2024.
- (4) NTA per Share is calculated by the NTA divided by the number of Shares (excluding Treasury Shares) outstanding as at the Latest Practicable Date.

Shareholders should note that the financial effects set out above, based on the respective assumptions stated above, are for illustration purposes only and are not necessarily representative of future financial performance. In particular, it is important to note that the above analysis is based on historical audited figures for the financial year ended 31 March 2024 and is not necessarily representative of future financial performance of the Company. In addition, the actual impact will depend on, inter alia, the actual number and price of Shares that may be purchased or acquired by the Company and whether the Shares purchased or acquired are held in treasury or cancelled.

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2.8. Reporting Requirements

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.:

- (a) in the case of an On-Market Purchase, on the Market Day following the day of purchase or acquisition of any of its Shares; and
- (b) 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 compliance with Appendix 8.3.1 of 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 the number of treasury shares held after the purchase.

2.9. Listing Manual

While the Listing Manual does not expressly prohibit a listed company from purchasing its own shares during any particular time 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 Share Buy-Back Mandate at any time after any matter or development of a price sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price-sensitive information has been publicly announced. In particular, the Company will not purchase any Shares during the period commencing one (1) month before the announcement of the Company’s half year and full year results, as the case may be, and ending on the date of announcement of the relevant results.

2.10. Listing Status of the Shares

A listed company must ensure that at least 10.0% of any class of its listed securities must be held by public shareholders. As at the Latest Practicable Date, 5,184,361 Shares, representing approximately 17.28% of the issued share capital of the Company (excluding Treasury Shares and subsidiary holdings) is held in the hands of the public. Assuming that the Company repurchased the maximum of 10.0% of its issued share capital (excluding treasury shares and subsidiary holdings) (i.e. 2,999,999 Shares) as at the Latest Practicable Date from public Shareholders by way of an On-Market Purchase, the public Shareholders will hold 2,184,362 shares, representing approximately 7.3% of the issued share capital of the Company (excluding Treasury Shares and subsidiary holdings).

As at the Latest Practicable Date, there are insufficient number of shares held by public Shareholders that would permit the Company to undertake purchases or acquisitions of its Shares through On-Market Purchase up to the maximum 10.0% limit pursuant to the Share Buy-Back Mandate, if renewed at the AGM, without affecting the listing status of the Shares on the SGX-ST.

While the Share Buy-back Mandate would authorise a purchase or acquisition of Shares up to the 10.0% limit, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate will not be carried out up to the full 10.0% limit as authorised if any such purchase or acquisition of Shares pursuant to the Share Buy-back Mandate will (a) adversely affect the listing status of the Company on the SGX-ST; (b) cause market illiquidity, or (c) adversely affect the orderly trading of the Shares on the SGX-ST. **The Directors will ensure that the Company will not undertake any purchases or acquisition of Shares pursuant to the Share Buy-back Mandate which would result in the number of Shares remaining in the hands of the public Shareholders falling to such a level as to cause affect orderly trading of the Shares and the Company’s listing status.**

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2.11. Tax Implications

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the purchase or acquisition of Shares by the Company, including those who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

2.12. Details of Share Buy-backs in the Last 12 Months

The Company has not purchased any Shares within the twelve (12) months preceding the Latest Practicable Date.

2.13. Take-over Implications

There are presently no requirements under any Bermuda laws or regulations on take-over offers for Shares, which would be applicable to the Company. Notwithstanding that the Company is a company incorporated in Bermuda, the Company is subject to Sections 138, 139 and 140 of the SFA and the Take-over Code as long as the Company is listed on a securities exchange (as defined in the SFA), which includes the SGX-ST.

2.13.1. Obligation to Make a Take-Over Offer

Pursuant to the Take-over Code, an increase of a Shareholder's proportionate interest in the voting rights of the Company resulting from a Share Buy-back by the Company will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code.

Rule 14.1 of the Take-over Code requires, inter alia, that, except with the consent of the SIC, where:

- (a) any person acquires, whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of a company; or
- (b) any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights of a company and such person, or any person(s) acting in concert with him, acquires in any period of six (6) months additional shares carrying more than 1% of the voting rights,

Such person shall extend immediately an offer to the holders of any class of shares in the capital which carries votes and in which such person, or persons acting in concert with him, hold shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, also incur the obligation to extend such offer under the Take-over Code.

2.13.2. Persons Act 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, amongst others, be presumed to be acting in concert::

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);

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- (iv) the fellow subsidiaries of (i);
 - (v) the associated companies¹ of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights,
- (b) 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); and
- (c) the following persons and entities:
- (i) an individual;
 - (ii) the close relatives of (i);
 - (iii) the related trusts of (i);
 - (iv) any person who is accustomed to act in accordance with the instructions of (i); and
 - (v) companies controlled by any of (i), (ii), (iii) or (iv); and (vi) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

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 purchase or acquisition of Shares by the Company are set out in Appendix 2.

2.13.3. Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors of the Company and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, (a) the voting rights of such Directors and their concert parties would increase to 30% or more, or (b) (if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights) the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months, but excluding treasury shares in the calculation of such percentages of voting rights. Consequently, Shareholders who are deemed to be acting in concert with the Directors under the Take-over Code could be obliged to make such an offer under Rule 14 of the Take-over Code. In calculating the percentages of voting rights of such Directors and their concert parties, Treasury Shares shall be excluded.

¹ A company is an associated company of another company if the second company owns or controls at least 20.0% but not more than 50% of the voting rights of the first mentioned company.

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

However, Shareholders will be subject to the provisions of Rule 14 of the Take-over Code if they acquire Shares after the Company's Share Buy-backs. For the purpose of the Take-over Code, an increase in the percentage of voting rights as a result of the Share Buy-back will be taken into account in determining whether a Shareholder and persons acting in concert with him have increased their voting rights by more than 1% in any period of six (6) months.

Shareholders (including Directors) and their concert parties who hold more than 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.

2.13.4. Application of the Take-over Code

The interests of the Directors and Substantial Shareholders of the Company in the Shares are disclosed in Section 3 below.

Ms. Lam Pui Wan², a Controlling Shareholder of the Company and (b) Mu Xia Ltd, a company in which Mr Lee Wan Lik and Ms Lam Pui Wan hold 10% and 90% shareholding interest respectively, are deemed to be parties acting in concert with each other, and hold in aggregate 24,732,132 Shares, representing 82.44% of the Company's voting rights.

As set out above, under the Take-over Code, Shareholders (including Directors) and their concert parties who hold more than 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. Accordingly, based on the shareholdings of the foregoing parties acting in concert as at the Latest Practicable Date, Rule 14 of the Take-over Code will not be triggered and no take-over offer is required to be made pursuant to any acquisition or purchases of Shares under the Share Buy-back Mandate.

Save as disclosed above and to the best of their knowledge, the Directors are not aware of any fact(s) or factor(s) which suggest or imply that any particular person(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 Rule 14 of the Take-over Code would ensue as a result of a purchase of Shares by the Company pursuant to the Share Buy-back Mandate.

Based on the Company's register of Directors and the register of Substantial Shareholders as at the Latest Practicable Date, the Directors are not aware of any Director or Substantial Shareholder (together with persons acting in concert with them) who may become obliged to make a mandatory offer under Rule 14 of the Takeover Code in the event that the Company purchases the maximum number of 2,999,999 Shares under the Share Buy-back Mandate.

² Ms. Lam Pui Wan passed away on 6 May 2022 and her estate is still in the process of settlement.

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Shareholders should note that the statements in this Circular do not purport to be a comprehensive or exhaustive description of all implications that may arise under 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 purchase of Shares by the Company pursuant to the Share Buy-back Mandate are advised to consult their professional advisers and/or the SIC at the earliest opportunity before they acquire any Shares in the Company during the period when the Share Buy-back Mandate is in force.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the Shares as at the Latest Practicable Date, based on the Company's register of interest of Directors and register of Substantial Shareholders respectively, are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Directors						
Lee Wan Lik ⁽²⁾	8,032,132	26.77	15,300,000	51.00	23,332,132	77.77
Michael Yap Kiam Siew	–	–	–	–	–	–
Lam Pui Wan (deceased) ⁽²⁾⁽³⁾	1,400,000	4.67	15,300,000	51.00	16,700,000	55.67
Chan Ching Chuen	–	–	–	–	–	–
Chee Yeow Meng	83,500	0.28	83,500	0.28	83,500	0.28
Stephen Ho Chi Ming	–	–	–	–	–	–
Substantial Shareholders (other than Directors)						
Mu Xia Ltd. ⁽³⁾	15,300,000	51.00	–	–	15,300,000	51.00

Notes:

- (1) Based on the Company's issued and paid-up share capital of 29,999,993 Shares (excluding Treasury Shares and subsidiary holdings) as at the Latest Practicable Date.
- (2) Mr Lee Wan Lik and Ms Lam Pui Wan are each deemed to be interested in the 15,300,000 Shares held by Mu Xia Ltd. by virtue of them holding shareholding interests of 10% and 90% respectively in Mu Xia Ltd.
- (3) Ms Lam Pui Wan, the spouse of Mr Lee Wan Lik and former Executive Director of the Company, passed away on 6 May 2022. Her estate is still in the process of settlement.

Save as disclosed in this Circular, none of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Renewal of the Share Buy-back Mandate (other than through their respective shareholdings in the Company, if any).

4. DIRECTORS' RECOMMENDATION

The Directors, having considered and reviewed, among other things, the rationale for the Proposed Renewal of the Share Buy-back as set out in this Circular, are of the opinion that the Proposed Renewal of the Share Buy-back is in the best interests of the Company and accordingly unanimously recommend the Shareholders to vote in favour of Ordinary Resolution 8 relating to the Proposed Renewal of the Share Buy-back, as set out in the Notice of AGM, to be proposed at the AGM.

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5. ANNUAL GENERAL MEETING

The upcoming AGM, notice of which is set out on pages 92 to 99 of the Annual Report, will be held physically at Hercules & Cygnus Room, Novotel Singapore On Stevens, 28 Stevens Road, Singapore 257878 and by electronic means on 30 July 2024 at 3:00 p.m. for the purpose of considering and, if thought fit, passing, with or without any modification, the resolutions set out in the Notice of AGM, including Ordinary Resolution 8 relating to the Proposed Renewal of the Share Buy-back.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

The AGM will be convened and held physically at Hercules & Cygnus Room, Novotel Singapore On Stevens, 28 Stevens Road, Singapore 257878 and by electronic means on 30 July 2024 at 3:00 p.m. The Notice of AGM and Proxy Form can be downloaded from SGXNet or the Company's website at <https://www.azeus.com/category/announcements/> and physical copies will also be dispatched to Shareholders. For the avoidance of doubt, printed copies of this Circular will NOT be sent to Shareholders but have been made available on SGXNet and the Company's website at <https://www.azeus.com/category/announcements/>. Please refer to the section entitled "IMPORTANT INFORMATION" in the Notice of AGM set out on pages 92 to 99 of the Annual Report for further details.

7. DOCUMENTS FOR INSPECTION

The Annual Report and the Memorandum and Bye-Laws of the Company will be available for inspection by Shareholders at the office of the Company's Singapore Share Transfer Agent during normal business hours on any weekday (public holidays excepted) from the date of this Circular up to the date of the AGM.

The Annual Report may also be accessed on the Company's website at the URL: <https://www.azeus.com/investors/annual-reports/> and the Memorandum and Bye-Laws of the Company may also be accessed on the Company's website at the URL: <https://www.azeus.com/category/announcements/>.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Renewal of the Share Buy-back Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement herein misleading.

Where information in this Circular 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 Circular in its proper form and context.

Yours faithfully
For and on behalf of the Board of Directors of
AZEUS SYSTEMS HOLDINGS LTD.

Lee Wan Lik
Executive Chairman and Director