

**AZEUS SYSTEMS HOLDINGS LTD.**  
(Company Registration No. 35312)  
(Incorporated in Bermuda)  
("Company")

**MINUTES OF THE ANNUAL GENERAL MEETING OF THE COMPANY HELD AT SKY BALLROOM THREE, PARKROYAL ON BEACH ROAD, 7500 BEACH ROAD, SINGAPORE 199591 AND BY ELECTRONIC MEANS (VIA LIVE WEBCAST AND LIVE AUDIO STREAM) ON FRIDAY 15 JULY 2022 AT 10:00 A.M.**

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**PRESENT**

**DIRECTORS**

Lee Wan Lik (Executive Chairman)  
Michael Yap Kiam Siew (Deputy Chairman and Chief Executive Officer)  
Stephen Ho ChiMing (Lead Independent Director)  
Koji Miura (Independent Director)  
Chan Ching Chuen (Independent Director)

**IN ATTENDANCE BY INVITATION**

As per attendance record maintained by the Company.

**SHAREHOLDERS**

As per attendance record maintained by the Company.

**WELCOME ADDRESS BY CHAIRMAN**

Mr Lee Wan Lik ("**Mr Lee**") the Executive Chairman of the Company, welcomed the shareholders and attendees present at the Annual General Meeting ("**AGM**") both at the physical venue and electronically through live webcast and audio stream via ConvенеAGM. Mr Lee introduced the Directors, Company Secretary and the Senior Management who were either present at the physical venue or attended the AGM through the live webcast.

**QUORUM**

Mr Lee declared the commencement of the AGM at 10.05 a.m. after the Company Secretary confirmed that a quorum was present.

**NOTICE**

The Notice dated 23 June 2022 convening the Meeting, having been in the hands of the members for the requisite period was, with the concurrence of the meeting, taken as read.

Mr Lee invited the Company's Deputy Chairman Mr Michael Yap Kiam Siew ("**Mr Yap**" or the "**Chairman**") to chair the Meeting in his place.

Mr Yap briefed the shareholders on the conduct of the meeting. He elaborated that all the resolutions would first be read followed by the Question & Answer ("**Q&A**") session. This is to facilitate the smoother running of the proceedings as the Board and Management would be taking questions from 3 platforms – physical, textual, and video. He further elaborated on the conduct of the Q&A session and the voting procedures followed by the tabling of the poll voting results. He informed that the Company had received insightful questions from the shareholders and Securities Investors Association (Singapore) prior to the AGM. These questions had been addressed and the responses to these questions were released on the SGXNet on 8 and 12 July 2022 respectively and published on the Company's website. The Chairman informed that shareholders could raise their questions via the ConvенеAGM platform throughout the AGM, either by posting written questions or through the video function/arrangement.

The Chairman informed that in his capacity as the Chairman of the Meeting, he was appointed by some shareholders as their proxy, and he would vote in accordance with their instructions. The Chairman also informed that shareholders who were present in person (who had not submitted their proxy forms) could cast their votes on the resolutions by using the voting feature available on the ConveneAGM platform, during the course of the Meeting.

In line with the Company's Bye-Laws, all resolutions tabled at the Meeting were voted by way of poll. The poll voting results would be announced after all the Resolutions had been duly tabled at the Meeting.

The Company had appointed Boardroom Corporate & Advisory Services Pte Ltd as the polling agent and CitadelCorp Services Pte. Ltd. as the scrutineer. The Scrutineer verified and supervised the counting of the votes of all such valid proxy forms submitted by the shareholders by the submission deadline of 10.00 a.m. on 13 July 2022 and verified the votes cast by the shareholders during the Meeting.

A summary of the questions that shareholders raised during the Q&A session and the responses from Directors and Management is annexed hereto and marked as Appendix A.

**ORDINARY BUSINESS:**

**RESOLUTION 1 – TO RECEIVE AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022, TOGETHER WITH THE DIRECTORS' STATEMENT AND AUDITOR'S REPORT THEREON**

The Chairman proposed the following motion:

"That the Audited Financial Statements of the Company for the financial year ended 31 March 2022, together with the Directors' Statement and Auditors' Report thereon be received and adopted."

**RESOLUTION 2 - TO DECLARE A FIRST AND FINAL DIVIDEND OF HK\$1.62 PER SHARE FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

The Chairman informed that the Directors had recommended a first and final dividend of HK\$1.62 per share for the financial year ended 31 March 2022 ("FY2022"). The proposed dividend if approved by the shareholders at this Meeting, would be paid on a date to be decided by the Board, with the payment date to be announced via the SGXNet in due course.

The Chairman proposed the following motion:

"That the first and final dividend of HK\$1.62 per ordinary share for the financial year ended 31 March 2021 be and is hereby approved".

**RESOLUTION 3 - TO APPROVE THE PAYMENT OF DIRECTORS' FEES OF S\$78,000 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

The Chairman proposed the following motion:

"That payment of Directors' fees of S\$78,000.00 for the financial year ended 31 March 2022 be approved."

**RESOLUTION 4 - TO RE-ELECT MR MICHAEL YAP KIAM SIEW AS DIRECTOR OF THE COMPANY**

The Chairman invited the Company Secretary, Mr Yap Wai Ming to assist with the proceedings of the meeting on Resolution 4 in relation to his re-election as Director of the Company.

Mr Yap Wai Ming informed that Mr Yap was retiring as a Director at the AGM pursuant to Bye-Law 104 of the Company's Bye-Laws. Mr Yap being eligible offered himself for re-election. He had given his consent to continue in office.

Mr Yap Wai Ming proposed the following motion:

"That Mr Michael Yap Kaim Siew, a Director retiring in accordance with Bye-Law 104 of the Company's Bye-laws, be re-elected as a Director of the Company."

#### **RESOLUTION 5 - TO RE-ELECT MR STEPHEN HO CHIMING AS DIRECTOR OF THE COMPANY**

The Chairman informed that Mr Stephen Ho Chiming was retiring as a Director at the AGM pursuant to Bye-Law 104 of the Company's Bye-Laws. Mr Stephen Ho Chiming being eligible offered himself for re-election. He had given his consent to continue in office.

Upon his re-election, Mr Stephen Ho Chiming would remain as the Lead Independent Director, Chairman of the Remuneration Committee and member of the Audit and Nominating Committees. He is considered independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

The Chairman proposed the following motion:

"That Mr Stephen Ho Chiming, a Director retiring in accordance with Bye-Law 104 of the Company's Bye-laws, be re-elected as a Director of the Company."

#### **RESOLUTION 6 - TO RE-APPOINT MESSRS PRICEWATERHOUSECOOPERS LLP AS AUDITORS AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The Chairman informed that the Auditors, Messrs PricewaterhouseCoopers LLP have confirmed their willingness to continue in office. The Chairman proposed the following motion:

"That PricewaterhouseCoopers LLP be re-appointed as Auditors of the Company and the Directors be authorised to fix their remuneration."

#### **ANY OTHER ORDINARY BUSINESS**

As no notice of any other ordinary business had been received by the Secretary, the Chairman proceeded to deal with the special business of the Meeting.

#### **SPECIAL BUSINESS:**

#### **RESOLUTION 7 – AUTHORITY TO ALLOT AND ISSUE SHARES**

The Chairman proposed the following motion:

"That pursuant to Rule 806 of the Listing Manual of SGX-ST, authority be and is hereby given to the Directors of the Company to allot and issue whether by way of rights, bonus or otherwise (i) shares in the Company ("**Shares**"); (ii) convertible securities; (iii) additional convertible securities (where an adjustment to the number of convertible securities to which a holder is originally entitled to, is necessary as a result of any rights, bonus or other capitalization issues by the Company), notwithstanding that such authority may have ceased to be in force at the time such additional convertible securities are issued, provided that the adjustment does not give the holder of the convertible securities a benefit that a shareholder of the Company ("**Shareholder**") does not receive; and/or (iv) shares arising from the conversion of securities in (ii) and additional convertible securities in (iii) above, notwithstanding that such authority may have ceased to be in force at the time the shares are to be issued, and any such issue may be made at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit,

PROVIDED THAT:-

- (i) the aggregate number of shares and convertible securities to be issued pursuant to this resolution shall not exceed 50% of the total number of the issued shares (excluding treasury shares and subsidiary holdings) of the Company, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders of the Company shall not exceed 20% of the total number of the issued shares (excluding treasury shares and subsidiary holdings) of the Company;
- (ii) subject to such manner of calculation as may be prescribed by the SGX-ST, for the purpose of this Resolution, the percentage of the issued share capital shall be based on the Company's total number

of the issued shares (excluding treasury shares and subsidiary holdings) at the time this resolution is passed, after adjusting for:

- (a) new shares arising from the conversion or exercise of any convertible securities;
- (b) new shares arising from exercise of share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
- (c) any subsequent bonus issue, consolidation, or subdivision of shares.

Adjustments in accordance to subparagraph (ii)(a) and (ii)(b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution; and

- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Bye-Laws for the time being of the Company; and
- (iv) (Unless revoked or varied by the Company in a general meeting) such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”

#### **RESOLUTION 8 – RENEWAL OF SHARE BUY-BACK MANDATE**

The Chairman informed that the Company is seeking the shareholders' approval for the proposed renewal of the share buy-back mandate, details as set out in the Circular to shareholders dated 23 June 2022.

The Chairman proposed the following motion:

“That:

- (a) for the purposes of the Bermuda Companies Act and otherwise in accordance with the rules and regulations of the SGX-ST, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the “**Shares**”) not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
  - (i) on-market purchases, 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 the purpose (“**Market Purchases**”); and/or
  - (ii) off-market purchases pursuant to an equal access scheme in accordance with Section 76C of the Companies Act (“**Off-Market Purchases**”)

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Buy-back Mandate**”);

- (b) unless varied or revoked by the Company in general meeting prior to the next annual general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
  - (i) the date on which the next annual general meeting of the Company is held or required by law to be held;
  - (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buy-back Mandate are carried out to the full extent mandated; or

- (iii) 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.
- (c) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

In this Resolution:

**“Average Closing Price”** means:

- (i) in the case of a Market Purchase, the average of the Closing Market Prices (as defined below) 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
- (ii) in the case of an Off-Market Purchase, the average of the Closing Market Prices (as defined below) 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,

and deemed to be adjusted, in accordance with the listing manual of the SGX-ST (as amended or modified from time to time) 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”** means the Companies Act 1981 of Bermuda, as amended or modified from time to time.

**“Closing Market Price”** means 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.

**“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.

**“Market Day”** means a day on which the SGX-ST is open for trading in securities.

**“Maximum Percentage”** means 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 date of the passing of this Resolution, 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 which are held as Treasury Shares or subsidiary holdings will be disregarded for purposes of computing the 10.0% limit.

**“Maximum Price”** means:

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

in either case, excluding related expenses of the Market Purchase or Off-Market Purchase (as the case may be).”

**POLLING**

The Chairman invited the shareholders to cast their votes on the resolutions tabled at the Meeting.

**RESULTS OF THE POLL**

The poll voting results duly certified by the Scrutineer are as follow:

Resolution number and details		Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
			Number of shares	As a percentage of total number of votes cast for and against the resolution (%)	Number of shares	As a percentage of total number of votes cast for and against the resolution (%)
1.	To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2022, together with the Directors' Statement and the Auditor's Report thereon.	8,210,614	8,210,614	100	0	0.00
2.	To declare a first and final dividend of HK\$1.62 per share for the financial year ended 31 March 2022.	8,210,614	8,210,614	100	0	0.00
3.	To approve the payment of Directors' Fees of S\$78,000 for the financial year ended 31 March 2022.	8,210,564	8,210,564	100	0	0.00
4.	To re-elect Mr Michael Yap Kiam Siew as Director of the Company.	8,205,614	8,205,614	100	0	0.00

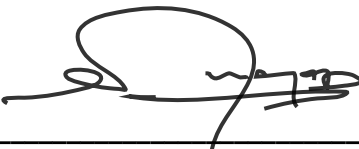
5.	To re-elect Mr Stephen Ho ChiMing as Director of the Company.	8,205,614	8,205,614	100	0	0.00
6.	To re-appoint Messrs PricewaterhouseCoopers LLP as Auditors and to authorize the Directors to fix their remuneration.	8,210,614	8,210,614	100	0	0.00
7.	To grant the Directors the authority to allot and issue shares.	8,209,514	8,209,514	100	0	0.00
8.	To approve the renewal of share buy-back mandate.	8,209,514	8,209,514	100	0	0.00

Based on the poll voting results, the Chairman declared that all the Resolutions tabled at the Meeting were carried.

**CONCLUSION**

There being no other business to transact, the Chairman declared the Meeting closed at 11.42 pm and thanked all present for their attendance.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD



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 Michael Yap Kiam Siew  
 Chairman

## Appendix A

Question 1: The ConveneAGM is a very good platform which the Company can use beyond the AGM, such as in Auction events and celebrity fan events. Meetings in hybrid mode enable people to attend at the physical venue and online. For the online platform, you can have it in different languages or have simultaneous interpreters to translate the meeting into languages understood by the participants.

### Response

For ConveneAGM the Group has not explored the areas as suggested. Our current targeted market segment is primarily public companies and large associations. We have, however, extended it to other use cases such as creditors' meetings. Recently, one of our clients conducted a very large creditors' meeting with potentially up to 300,000 users, where live voting was done. Our offering is highly secured and has critical functions enabling live voting to be done confidentially. We are focusing on these opportunities.

Question 2: For your line of business and investor outreach, it will be good to feature your business and CEO in magazines that cater to the high net worth such as the CEO magazine. The CEOs are the decision makers and through the high net worth magazines, they could be interested in your product and subscribe to it. It could also be a good platform for investor outreach as the CEOs can also be potential investors for the Company.

### Response

Our shareholders, especially those who have been with us for a long period, would know that we have been a relatively low-key company. We have and would be stepping up our marketing and outreach activities especially now that we are more global. We appreciate the shareholder's suggestions and would take them into consideration.

Question 3: I would like to know about the revenue recognition model for the Hong Kong project which the Company secured recently. Page 46 of the Annual Report stated the accounting policies of various revenue recognition.

My questions are (i) is this project recognised under IT services or product? (ii) for the revenue recognition model, you have license and, support and implementation. So, is it the same revenue recognition policy for this Hong Kong project that is highlighted in the Annual Report? On the revenue recognition, is it different as it is a longer-term project? I just want to know as it might indicate whether your revenue is lumpy or stable going forward. If you use the existing model which is based on time cost and milestone/progress, your revenue would be lumpy, as you might or might not have collected your cash. Could you share more with us on the revenue?

### Response

The new project with the Hong Kong Government is an exceptional project, it is the single largest project that the Group has secured in our history, up to a billion Hong Kong dollars. This is a product-driven project. An expected 75% of the total estimated contract value would be from the product license and maintenance fee of the Convene Records Software and the remaining 25% would be from the customization and deployment services.

This product (which is called Convene Records) has two parts which are the license and the yearly maintenance. Based on the current implementation plan, we are required to develop and deploy the system throughout the whole Hong Kong government over the next 5 years, from FY2023 till FY2027. Maintenance and Support are expected to start in FY2027, and for the subsequent 10 years of maintenance.

As this is a mega-size project, it involves multiple delivery milestones relating to different components such as licensing, maintenance and support, deployment, and customization services. The revenue recognition depends on the delivery of the performance obligation of each component, under the appropriate accounting treatment. The revenue will then be recognised progressively, based on this fulfillment of the performance obligation of each component. As it is split up into multiple delivery milestones, this aids in risk management



as risk is more contained with earlier detection of issues and potential mitigation actions taken on a more defined scope.

The Group has over 30 years of experience in developing and deploying IT projects for the Hong Kong SAR Government. Further, an early version of the Electronic Record Keeping System (Convene Records) has been deployed and used within a government department over the last 4 years.

Question 4: The Company's share performance has performed quite well for the past few years but the shares seem illiquid, partly due to the share consolidation exercise that the Company did years back. This has reduced the number of shares capital. Now that the Company's price is higher as compared to previous years, will the Company consider doing some share restructuring such as shares split or bonus issue to bring down the share price?

Response

The % of the free public float of our shares has remained the same at about 17% since the Company was listed. The share consolidation exercises completed a few years ago did not affect the % of public float. We have many loyal shareholders who have held our shares for many years. We are most thankful for their confidence in our company.

The share price and trading volume are driven by market forces, and we are not able to advise on this.

We have Resolution 7 (share issue mandate) and Resolution 8 (share buyback mandate) for shareholder's approval, which is useful for capital management as it gives the Company flexibility over the share capital structure. As the Management team, we continue to work hard and remain focused to grow the Company's business to enhance the shareholder's value.

Question 5: For dividend, will the Company consider paying an interim dividend rather than just a one-time final dividend? If your revenue is predictable, it makes sense to declare an interim dividend together with the half year results, rather than to wait until the year end and declare a lump sum dividend.

Response

We have over our history, in the majority of years declared a 100% profit payout as final dividend to our shareholders.

The Group currently does not have a fixed dividend policy and the amount of dividends paid each year will continue to depend on factors such as our financial performance, cash position and future cash needs.

We thank you for the suggestion and would review its impact including any additional expenses it might incur.

Question 6: I notice that the Board and the Board Committees meet twice a year. As the Company grows and becomes more international, it is expected that the Board and Board Committees would meet more often than just twice a year, as businesses become complex, and higher Board engagement is required. On corporate governance, the Code recommends that the majority of the Board should comprise of Independent Directors, whilst half of your Board currently comprises of Independent Directors. Investors would expect the Company to be of international standard and compliance. Also, your thoughts on the additional skill set that your Board should have.

Response

We will take into consideration your recommendation to commence more formal meetings. With our Directors based in various countries, beyond physical meetings, the Directors are actively engaged in other “meeting’ forms such as forming discussion groups for specific topics.

The Board continues to review its performance and seek out potential candidates to refresh and strengthen its composition.

The Nominating Committee considers the potential Directors’ ability to contribute to the growth of the business and stewardship qualities. The Board is formally reviewed yearly to strengthen its stewardship practices including the recent separation of the role of Chairman and CEO.

Question 7: Azeus has achieved good growth over the last few years, so will it be able to continue its growth momentum, and what are the growth strategies of plans going forward?

Response

Our twin-engine business lines have provided the company with stability and have fueled its growth. Some 10 years ago, we decided to invest in building up the product business line. As our product matures and gains acceptance, our product business line has empowered our business to go global. We now have customers in some 100 countries. The product business provides the company with high quality recurring revenue and is now a significant contributor. We will continue to invest in our product business line. We are investing in R&D to strengthen our current products and to seek new innovations. We are also expanding earnestly into new territories whilst deepening our market presence in high growth regions. We continue to invest in marketing and adding engineering capacities.

Worthy to note, is that for our IT Service line, 60% of the IT Services revenues are maintenance fees which are stable and recurring. For the IT service business, we are selective in the projects that we partake in, seeking opportunities that help us uncover the potential of new products or those that reward our abilities to handle large complex projects. We maintain an unblemished record of successfully completing all our HK government projects. With this substantial new Convene Records project, the growth momentum of our flagship product and the emerging pipeline of new product offerings from our R&D, we are cautiously optimistic.

Question 8: Azeus has set up the share buy-back mandate. Has Azeus done any share buyback transaction so far, if not, when will it be?

Response

We have not done any share buy-back, if we buy back the shares, we will have to announce it on the same day via the SGXNet.

We have set up the scheme and the share buy-back is a useful capital management tool as it allows the Company to have flexibility over the share capital structure, and also helps to mitigate share price volatilities.

As a listed company, there are certain rules and provisions like the maximum share price which we have to follow. The Board will continue to review periodically the guidelines of the buy-back mandate. Since we set up the mandate last year, the Board has put in place some set of guidelines for execution, giving full consideration to the interest of the shareholders, especially if there is any impact on the free float, the share price and the share movement. We will continue to monitor the share price and the share movement.

Question 9: In the answer to SGX questions we answered that ConveneAGM business may reduce, as COVID-19 restrictions reduce. Can you elaborate on the prospect of this business going forward? What is its percentage as a total of the product revenue?

Response

Our flagship product is Convene, a board portal tool, which is a significant revenue contributor among our products. The ConveneAGM is a new business line, and we will continue to grow it.

We do expect the growth momentum of our ConveneAGM revenue growth would not be as strong, given that physical meetings are now possible. However, we think that over time, the practice of offering hybrid meetings will grow as demand for equal access for those not able to physically attend, and the convenience of virtual access are compelling.

Question 10: Compare with the reports for the past few years, the ratio of product sales and revenue is growing fast, while IT services part decreasing. Is Azeus going to focus on product sales and further downsize the service arm?

Response

No, and it is not a conscious effort at all. We go for high quality revenue and our product line business has high quality recurring revenue and provides a pathway for Azeus to grow globally.

Historically, our IT service business has been within Hong Kong, mainly with the Hong Kong Government. We continue to look for opportunities that give us both high quality and good margins. The latest project that we secured from the Hong Kong government is a good example. Our IT service arm is selective and seeks out high quality projects.

Question 11: With a higher Convene product revenue, have we attracted more competition? How do we compare with a major competitor? Who are they?

Response

We always have competitors. There are two types of competitors, big global competitors, and local competitors. As we expand, we have more competitors, and this shows the attractiveness of the market we are in. We are, however, confident with the quality of our products. We keep battle cards of our competitors, study each of them and find ways to compete and win against them.

Question 12: Can you give us a little more colour around the success of market adoption of Convene in Teams and ConveneAGM and is there seasonality in different product lines? What additions have you made to the company's sales team in the last six months or so? What sales capabilities could Azeus have made to its current team? What is the company's retention rate and upsell success percentage? Lastly, what do you think is Azeus' best strength and most important areas for improvement?

Response

We have been expanding into more territories in the last couple of years and invested heavily in sales and marketing, as compared to the past. Our sales have grown, and we continue to expand our sales and marketing teams. We hired more senior staff such as regional heads to manage the sales team.

There is no seasonality in our flagship Convene product. The Convene portal is for formal meetings.

We noticed that more organisations and enterprises are using Microsoft products such as Teams and SharePoint. Thus, we have launched Convene in Teams ("**CIT**"), a Convene offering in the Microsoft environment, and hope to penetrate the heavy Microsoft users market segment. The product is still in its early stage and we are testing its product-market fit.

We introduced ConveneAGM some two years back. Its growth momentum is expected to slow down as physical meetings are now allowed.

It takes time for any product to mature, so it will be the same for CIT and ConveneAGM.

We do not break down the retention and upsell rates but internally we do monitor them rigorously.

Our strength is our products. We have a strong engineering culture, and our employees are with us for many years.

A key area of improvement is on growing our product business globally, including recruiting and adding talents, and at the same time, continuing to nurture our strong culture.

Question 13: Is that opportunity to sell Convene Records open to other governments and organisations?

Response

Yes, we will be exploring markets beyond Hong Kong. We aim to add go-to-market capabilities for this new product line.

Question 14: Would Azeus consider using its share buy-back mandate to help create liquidity? It will not take a large dollar amount to move the share price up to a level that would make the stock more liquid.

Response

With the mandate approved by shareholders, the Board will deliberate based on the current situation and set certain guidelines that comply with SGX rules and regulations, for execution when the opportunity arises.

Question 15: For the 75% of the Hong Kong contract that falls under the Product business, should we expect gross margins for this project to be reasonably close to the existing products business?

Response

We do not disclose profitability breakdown by project.

Question 16: Can you share with us the new products that are coming up or being in the pilot phase? For AzeusCare in the UK, how it is doing?

Response

We are not able to disclose our product pipeline for various reasons, partly as the market is competitive and pipeline information could be sensitive to our product business. AzeusCare is a solution built to address UK social care challenges. The growth of this business depends on the availability of social care projects to tender for in the UK market.

Question 17: The volume on the stock is not very high at \$7-\$8 and the bid-ask is wide at current prices. A relatively low dollar value or share purchases by the company would push the stock price up to a level that has more volume and wouldn't cost the company a large dollar amount. My guess – at \$500,000 or so, may move the shares around \$10 and there would be more volume which would make the bid/ask smaller. I think the company is also saying that it is going to buy the shares back because it is under-priced and would move them up without much buying. The other bonus is long term holders that don't sell will realise even better returns in five to ten years than those that need to sell (e.g. to fund a home purchase or kits education) would realise a better price. Share buybacks at the right price of very good value creation.

Response

Thank you for your views and support for the Company.

Question 18: Given your success in engaging with key stakeholders in Singapore advocating for strong governance standards and technology adoption. What other countries do you think the strategy may work well for? Malaysia? The Philippines? or others?

Response

We are a small software company and to amplify our presence, we stay engaged as much as we can with the ecosystems of countries where we have a presence. Our success and focus remain firmly on building great products and strengthening our sales and marketing.