

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

MINUTES OF THE ANNUAL GENERAL MEETING OF THE COMPANY HELD AT HALL 406 (LEVEL 4), SUNTEC SINGAPORE CONVENTION & EXHIBITION CENTRE, 1 RAFFLES BOULEVARD, SUNTEC CITY, SINGAPORE 039593 AND BY ELECTRONIC MEANS (VIA LIVE WEBCAST AND LIVE AUDIO STREAM) ON MONDAY 12 JULY 2021 AT 10:00 A.M.

PRESENT

DIRECTORS

Lee Wan Lik (Chairman and Managing Director)
Yap Kiam Siew Michael (Deputy Chairman and Executive Director)
Lam Pui Wan (Executive Director)
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 Managing Director and Board Chairman) welcomed shareholders and attendees to the hybrid Annual General Meeting ("**AGM**") of the Company held at the physical venue at Suntec Singapore Convention Centre with safe distancing measures in place and simultaneously via electronic means through live webcast and live audio stream. 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 10.00 a.m. after the Company Secretary confirmed that a quorum was present.

NOTICE

The Notice dated 18 June 2021 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 then invited the Company's Deputy Chairman Mr Yap Kiam Siew Michael ("**Mr Yap**" or the "**Chairman**"), who was present at the physical venue, to chair the Meeting in his place.

Mr Yap informed that the Company received questions from some shareholders prior to the Meeting and will address them during the AGM. He informed that the AGM@Convvene platform provides real-time two-way interaction and shareholders have the option of posting typewritten questions and interactive video question and answer ("**Q&A**") session with the Board of Directors.

The Company has made available to shareholders the option of (i) voting via appointing the Chairman of the Meeting as Proxy by submitting the proxy form by the submission deadline of 10.00 a.m. on 10 July 2021; or (ii) live voting by casting the votes in real time for each resolutions to be tabled at the Meeting via the AGM@Convvene platform.

The Chairman informed that in his capacity as the Chairman of the Meeting, he had been appointed by numerous shareholders as proxy and would vote in accordance with their instructions. The Chairman also informed that shareholders present (who had not submitted their proxy forms) may cast their votes on the resolutions by using the voting feature available at the AGM@Convene 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. All resolutions tabled at the Meeting were proposed by the Chairman as a proxy.

The Company appointed Boardroom Corporate & Advisory Services Pte Ltd as the polling agent and RL Law LLC as the scrutineer (the "Scrutineer") for the verification and supervision of 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 10 July 2021. The Scrutineer will verify the votes cast by the shareholders during the Meeting. The poll voting results will be announced after all the Resolutions have been duly tabled at the Meeting.

The shareholders had during the course of the Meeting raised their questions, which the Directors and Management have responded. The summary of questions and answers 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 2021, 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 2021, together with the Directors' Statement and Auditors' Report thereon be received and adopted."

RESOLUTION 2 - TO DECLARE A FIRST AND FINAL DIVIDEND OF 39.0 HK CENTS PER SHARE FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

The Chairman explained that the first and final dividend if approved by the shareholders at this Meeting, will be paid on a date to be decided by the Board, which the payment date will be announced via the SGXNet in due course. The Chairman proposed the following motion:

"That the first and final dividend of 39.0 Hong Kong cents 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 2021

The Chairman proposed the following motion:

"That payment of Directors' fees of S\$78,000.00 for the financial year ended 31 March 2021 be approved."

RESOLUTION 4 - TO RE-ELECT MS LAM PUI WAN AS DIRECTOR OF THE COMPANY

The Chairman proposed the following motion:

"That Ms Lam Pui Wan, 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 CHAN CHING CHUEN AS DIRECTOR OF THE COMPANY

The Chairman proposed the following motion:

“That Mr Chan Ching Chuen, a Director retiring in accordance with Bye-Law 104 of the Company’s Bye-laws, be re-elected as a Director of the Company.”

It was noted that Mr Chan Ching Chuen would upon re-election remain as the Independent Director, Chairman of the Nominating Committee and a member of the Audit and Remuneration Committees of the Company.

Mr Chan Ching Chuen is considered to be independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

RESOLUTION 6 - APPROVAL OF MR CHAN CHING CHUEN’S CONTINUE APPOINTMENT AS AN INDEPENDENT DIRECTOR BY SHAREHOLDERS

The Chairman explained to shareholders that Resolutions 6 and 7 relate to the continued appointment of Mr Chan Ching Chuen as an Independent Director of the Company pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST.

Rule 210 (5)(d)(iii) comes into effect on 1 January 2022 and provides that the continued appointment of an independent director after an aggregate period of more than 9 years, must be sought and approved in separate resolutions by (i) all shareholders and (ii) shareholders excluding directors, chief executive officer and their associates. As Mr Chan Ching Chuen has been the Independent Director of the Company for more than 9 years, the Company sought shareholders’ approval on Mr Chan’s continued appointment as an Independent Director.

The Chairman proposed the following motion:

“That contingent upon the passing of Resolution 5 above and pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022, shareholders to approve Mr Chan Ching Chuen’s continued appointment as an Independent Director, this Resolution to remain in force until the earlier of his retirement or resignation as a Director or the conclusion of the third AGM following the passing of this Resolution”.

RESOLUTION 7 - APPROVAL OF MR CHAN CHING CHUEN’S CONTINUED APPOINTMENT AS AN INDEPENDENT DIRECTOR BY SHAREHOLDERS (EXCLUDING DIRECTORS, CHIEF EXECUTIVE OFFICER, AND THEIR ASSOCIATES)

The Chairman proposed the following motion:

“That contingent upon the passing of Resolution 6 above and pursuant to Rule 210(5)(d)(iii) of the SGX-ST which takes effect from 1 January 2022, shareholders excluding the Directors, the Chief Executive Officer and their associates, to approve Mr Chan Ching Chuen’s continued appointment as an Independent Director, this Resolution to remain in force until the earlier of his retirement or resignation as a Director or the conclusion of the third AGM following the passing of this Resolution”.

RESOLUTION 8 - APPROVAL OF MR KOJI MIURA’S CONTINUE APPOINTMENT AS AN INDEPENDENT DIRECTOR BY SHAREHOLDERS

The Chairman informed that similar to the requirement explained above, Resolutions 8 and 9 relate to the continued appointment of Mr Koji Miura as an Independent Director of the Company as Mr Koji Miura has been the Independent Director for more than 9 years since he joined the Board. The Company is seeking shareholders’ approval on his continued appointment as an Independent Director in compliance with Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST.

The Chairman proposed the following motion:

“That pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022, shareholders to approve Mr Koji Miura’s continued appointment as an Independent Director, this Resolution to remain in force until the earlier of his retirement or resignation as a Director or the conclusion of the third AGM following the passing of this Resolution”.

RESOLUTION 9 - APPROVAL OF MR KOJI MIURA’S CONTINUED APPOINTMENT AS AN INDEPENDENT DIRECTOR BY SHAREHOLDERS (EXCLUDING DIRECTORS, CHIEF EXECUTIVE OFFICER, AND THEIR ASSOCIATES)

The Chairman proposed the following motion:

“That contingent upon the passing of Ordinary 8 above and pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022, shareholders excluding the Directors, the Chief Executive Officer and their associates, to approve Mr Koji Miura’s continued appointment as an Independent Director, this Resolution to remain in force until the earlier of his retirement or resignation as a Director or the conclusion of the third AGM following the passing of this Resolution”.

RESOLUTION 10 - TO RE-APPOINT MESSRS PRICEWATERHOUSECOOPERS LLP AS AUDITORS AND TO AUTHORIZE THE DIRECTORS TO FIX THEIR REMUNERATION

Messrs PricewaterhouseCoopers LLP have expressed their willingness to continue in office as Auditors of the Company and the Chairman proposed the following motion:

“That PricewaterhouseCoopers LLP be re-appointed as Auditors of the Company and the Directors be authorized 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 11 – TO GRANT THE DIRECTORS 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; (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 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.

- (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 12 – TO APPROVE THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

The Chairman informed that the Company is seeking the shareholders' approval for the proposed adoption of the share buy-back mandate details as set out in the Circular to shareholders dated 18 June 2021.

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 through the SGX-ST's ready market, or as the case may be, on any other stock exchange on which the Shares may for the time being be listed and quoted (the "**Other Exchange**"), through one or more duly licensed stockbrokers appointed by the Company for the purpose ("**Market Purchases**"); and/or
 - (ii) off-market purchases in accordance with an equal access scheme or schemes as may be determined or formulated by the Directors as they consider fit as defined in 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;
 - (ii) the date on which the next annual general meeting of the Company is required by law to be held; and
 - (iii) 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; and
- (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 a Share over the last five Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, the Other Exchange on which the Shares are listed or quoted, 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 a Share over the last five Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, the Other Exchange, 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 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 therein 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 issued Shares representing 10.0% of the issued Shares as at the date of the passing of this Resolution, unless the Company has, at any time during the Relevant Period, effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Bermuda Companies Act, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares as altered by the capital reduction. Any Shares which are held as Treasury Shares will be disregarded for purposes of computing the 10.0% limit.

"Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding related brokerage, commission, goods and services tax, stamp duties, clearance fees and other related expenses (where applicable)) which shall not exceed:

- (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.

"Relevant Period" means the period commencing from the date on which the last annual general meeting of the Company was held and expiring on the date the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier, after the date of this Resolution".

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 Audit Financial Statements of the Company for the financial year ended 31 March 2021, together with the Directors' Statement and the Auditor's Report thereon.	26,311,179	26,311,179	100	0	0.00
2.	To declare a first and final dividend of 39.0 HK cents per share for the financial year ended 31 March 2021.	26,311,179	26,311,179	100	0	0.00
3.	To approve the payment of Directors' Fees of S\$78,000 for the financial year ended 31 March 2021.	26,311,179	26,311,179	100	0	0.00
4.	To re-elect Ms Lam Pui Wan as Director of the Company.	26,311,179	26,311,179	100	0	0.00

5.	To re-elect Mr Chan Ching Chuen as Director of the Company.	26,311,179	26,261,179	99.81	50,000	0.19
6.	Approval of Mr Chan Ching Chuen's continued appointment as an Independent Director by Shareholders.	26,311,179	26,261,179	99.81	50,000	0.19
7.	Approval of Mr Chan Ching Chuen's continued appointment as an Independent Director by shareholders (excluding the directors, the chief executive officer and their associates).	1,579,137	1,529,137	96.83	50,000	3.17
8.	Approval of Mr Koji Miura's continued appointment as an Independent Director by Shareholders.	26,311,179	26,261,129	99.81	50,050	0.19
9.	Approval of Mr Koji Miura's continued appointment as an Independent Director by shareholders (excluding the directors, the chief executive officer and their associates).	1,579,047	1,528,997	96.83	50,050	3.17
10.	To re-appoint Messrs PricewaterhouseCoopers LLP as Auditors and to authorize the Directors to fix their remuneration.	26,311,179	26,311,129	100	50	0.00
11.	To grant the Directors the authority to allot and issue shares.	26,363,479	25,655,929	97.32	707,550	2.68

12.	To approve the proposed adoption of the share buy-back mandate.	26,306,179	26,306,179	100	0	0.00
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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 12.05 pm and thanked all present for their attendance.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD


Yap Kiam Siew Michael
Chairman

Appendix A

Question 1 In 2017 the Company incurred a huge loss but has now turned around with huge profit. I would like to know the APT of the IT business, and going forward, the strategy the Company has to make it competitive and profitable.

Response

Azeus initially started its business in IT Service by servicing IT projects to customers who are largely government departments of Hong Kong. The growth of the IT service business is subject to the availability of the tenders along with the risk of project implementation, thus the revenue could be lumpy. Hence, a decade ago, the Company decided to diversify the business with a product business and compete globally. The Company with its internal funds invested in product building, research and development. Presently, majority of the revenue of the Company is from the Product segment. The business model of the Product segment is Software As A Service (“SAAS”) which is subscription based, collecting subscription fee annually for our products such as “Convene”. The Product segment has provided quality recurring revenue to the Company providing better revenue predictability to the Company. The product business has been growing well. The Company now has a “twin engine” business model which comprises the Services business and the Product business. Product business is the model that we will continue to grow and invest on aggressively by expanding into new markets.

Question 2 What is Convene's churn ratio? Any possibilities to make the churn ratio positive? What is Convene's LTV to CAC ratio?

Response

The Customer churn rate or attrition rate is the percentage of customers who stopped using a company's product or service during a specific timeframe. It is one of the metrics that Azeus track closely.

The LTV to CAC ratio measures the relationship between the lifetime value of a customer and the cost of acquiring that customer.

Together with the churn rate, we track various performance metrics internally and regularly. This information on performance metrics has not been made public due to competitive reasons. We may, in the future, consider making partial information public and share some of these performance metrics in our future reporting.

Question 3 Why can't Zoom just offer similar features and make Convene obsolete? What makes Convene special and hard to replace with other software? What new features does Convene need?

Response

Zoom and other similar video conferencing applications are largely used for informal meetings. For formal meetings such as Board meetings, the pre- and post-meeting procedures are much more complex and require preparation, tracing of documentation, compliance, governance and high security. Convene is more than a video conferencing application. It is a board platform with a comprehensive suite of features that enable the organizing, running, and tracking of formal meetings. It offers governance tools for compliance, traceability, transparency, security and board effectiveness. Convene enables the board meeting to run smoothly, more structured, seamless and effective.

Convene actually works with applications such as Zoom to “digitalise” boards and other meetings. This integration enhances the virtual board experience as directors will only to Convene to access board documents and join the video call in a single screen. The video call is embedded within Convene for a more effective and streamlined decision making.

We invest heavily in research and development, roll out new features/upgrades of our products periodically, to ensure sure that the Company is competitive and ahead of the competitors.

Question 4 Is there any organic sales growth i.e., users recommending Convene to other boards he or she may sit on?

Response

Referral is the most preferred and effective way to secure new sales. We have been proactively soliciting referrals which is a key metric of our Customer Experience Team.

Question 5 Why don't other board members and senior management own shares? Has Mr. Michael Yap Kiam Siew considered buying shares since being re-designated as Executive Director?

Response

Our board members and senior management are dedicated to do their best for the company regardless of their share ownership.

Question 6 How is the technology team at Azeus? Any conflict of resources between Convene and IT Services?

Response

Azeus have two major business segments: the IT Services business and the Product business segment. This 'twin engine' affords flexibility and enables us to optimise, allocate and deploy Azeus's resources when required, particularly to high margin projects/segments when opportunities arise. In parallel, we will continue to recruit and nurture our global talent pool.

Question 7 What is the M&A outlook? How confident are you in Azeus' ability to scale Convene?

Response

The Company has achieved high growth in its products business segment in the last few years. We continue to invest in research and development to enhance our products to enable us to enter new markets and at the same time maintain the drive to become dominant in the existing markets.

The Board is open to new opportunities beyond organic growth, to add new products, or to provide greater market penetration.

Question 8 Noticed that the hosting cost is lower. Why is it so given that the business increased, so hosting traffic should increase?

Response

The hosting cost is lower as we continually monitor and improve how our software runs and, at the same time, negotiate with the suppliers for better costs.

Question 9 The increase in R&D and marketing costs is rising faster than the increase in revenue. This is not sustainable, and how long do we need to continue in this manner?

Response

Although the R&D and marketing costs have increased, the net return of the Company is still higher, with the increase in profit and revenue over the years. The continued investment in R&D and marketing is necessary for the long-term future of the Company – we need to remain competitive in the global market and enter new markets ahead of our competitors.

Question 10 What is the breakdown of Convene, AGM@Convene, and AzeusCare revenue? And their respective growth rate? What can we expect for their growth this year?

Response

Azeus do not have the breakdown for the total revenue of Convene, AGM@Convene, and AzeusCare for competitive reasons. For the Azeus Products segment, we recorded a 35% increase in revenue. We are investing in marketing and product development to ensure

that all products continue to have sustainable growth in the coming year.

Question 11 Last year Azeus recorded a decrease in revenue. What is the reason for the decline?

Response

Overall, total revenue decreased by 2%. On segmental basis, Azeus' products performed well with a 35% increase in revenue in FY2021. However, the increase in revenue was offset by the lower revenue in IT services, as fewer projects were secured in FY2021. The reduction in IT services resulted in a corresponding reduction in third-party hardware and software costs.

Question 12 What is the Company's outlook on IT services especially in Hong Kong?

Response

Azeus have a strong track record in the Hong Kong government sector. We continue to seek large-scale projects with good yields. Our growth in this segment depends on the projects offered by the Hong Kong government and our ability to secure the projects.

Question 13 Most of the companies in Singapore are using Zoom, how would you convince them to use your AGM@Convene product and what are the main reasons?

Response

We believe the best practice for shareholder meetings is that the experience for physical and virtual meetings should be the same, whereby people can fully interact with each other, ask questions, and vote in real-time. We have been promoting the best practice by sharing and promoting our views. The results are encouraging as more companies are conducting virtual/hybrid meetings with more interactive features. We have emerged as a credible player in the market and have conducted some 400 meetings since the product launched last year. We have found a niche in the market and will continue to improve our product, AGM@Convene to make the experience of hybrid meetings seamless and empowering to shareholders.

Question 14 The total of government Covid grants and other gain is quite high. Do we expect them this year? How will our net profit margin be excluding these gains?

Response

We have a small office in Singapore and our employees are largely based in our offices in the Philippines, Hong Kong, and the United Kingdom as we operate globally. In view thereof, the Covid grant that we received from the Singapore government is small.

The gain is made up of 2 components: one is the government grants and the other is the net foreign exchange gain which arose from the translation of the Group's net monetary assets denominated mainly in the British pound and Australian dollars. As of 31 March 2021, these currencies strengthened against the Hong Kong dollars. We will continue to monitor the exchange rate fluctuation and take the necessary steps to minimize the foreign currency risk.

Question 15 What steps are you taking in building investor relationships? Would you consider virtual investor day?

Response

We are an engineering company and have remained relatively low profile in the past. As the Company grows globally, we will be more proactive in communicating our position with our shareholders and investors.

Question 16 Will you be able to summarize your product development and conduct a webinar whereby shareholders and investors can understand the Company's products faster.

Response

We currently do not hold such product introduction webinars for shareholders and investors. We will take this into consideration and consider organizing such webinars in the future.

Question 17 Many successful companies have been splitting their shares and some have given out bonus shares. Will your company consider shares split or giving bonus shares to shareholders?

Response

We currently have not considered doing shares split or bonus shares. Nevertheless, the Board is always open to consider ways to maximize the returns to shareholders.

Question 18 For the benefit of the new shareholders, I would like to suggest the Chairman to introduce the Directors, particularly the Independent Directors to the shareholders.

Response

Stephen Ho ChiMing (Lead Independent Director): I joined the Board last year and I've known the Chairman Mr. Lee Wan Lik since Azeus IPO days as I was running the AMT operation coverage the DBS Bank. I started my banking career in JP Morgan--4 years in New York and 7 years in Hong Kong then I moved to DBS Bank in 2001. During 2001 to 2013, I was running various parts of DBS' businesses, mainly covering technology and telecommunication media clients globally and geographically in Dubai and Malaysia operations. My experience is mainly around technology and media companies, in the area of M&A, acquisition financing, and equity capital market. I was excited to join the Board last year and I'm looking forward to working with other Board members to create a higher return for Azeus.

Chan Ching Chuen (Independent Director): I am an academician of the Chinese Academic of Engineering. I'm also a fellow of the Royal Academy of Engineering, U.K., an honorable fellow Academy of Engineering and the Ukraine Academy of Engineering Sciences. Currently, I am the Honorary Professor at University of Hong Kong and have been serving as a guest professor at MIT, UC Berkeley, University of Tokyo, and a few other universities. I have been advising over 60 companies globally for the last five decades. I find that Azeus is a frontier organization and have unique products. Thus, I am excited to be involved in Azeus.

Koji Miura (Independent Director): My experience started with KPMG Singapore 30 years ago. Since then, I have started my own firm as a Business Consultant. I am happy to see Azeus' developments over the years. I am the Audit Committee Chairman and I'm happy to continue serving the Company as long as my services are needed.

Our Board comprise of members with different talents and from different countries. We will continue to look out and strengthen our Board.

Question 19 Azeus is a very promising tech company. Most of such companies listed in the USA very often provides full year and quarterly guidance. When do Azeus plan to do that?

Response

We believe in transparency and have been disclosing information in compliance with the SGX Listing Rules and the Accounting Standards. Our financial statements have been audited by PricewaterhouseCoopers ("**PWC**") and PWC has been our Auditors since IPO.

We will consider disclosing more information in our future reporting.

Question 20 Is there a reason why the Group does not have a separate Chairman and CEO?

Response

We believe that vesting the role of Chairman and CEO in the same person who is knowledgeable in the business of the Group allows us to have an effective planning and execution of the long-term business strategies. Mr. Lee Wan Lik is the founder of the Group who plays a key role in the development of the Group's business in the past 30 years, supported by the Board of Directors, and the Management team. The Board continues to seek talent to strengthen the leadership role. In 2020, our Executive Director Mr. Michael Yap has been appointed as the Deputy Chairman. We currently have 3 Executive Directors and 3 Independent Directors with different background and talents.

The Nominating Committee will continue to review regularly and to make recommendation when there is a need to separate the roles.

Question 21 Resolution 5 relates to the appointment of Mr. Chan Ching Chuen as Director and Resolutions 6 and 7 as Independent Director. Can you please clarify?

Response

Resolution 5 relates to the re-election of Mr. Chan as Director who retires pursuant to the Company's Bye-Law 104 while Resolutions 6 and 7 are pursuant to the approval of his continued appointment as Independent Director.

Question 22 Why is the trading volume so low? What is the rationale of the share buy-back mandate? What would be the effect on the share price due to the share buy-back mandate?

Response

The trading of shares is driven by the market and we are not able to advise on the reason for the low trading volume.

The rationale for the share buy-back is stated in the Circular. 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 maximising returns to shareholders. It helps mitigate share price volatility, offset the effects of short-term speculation, and bolster shareholders' confidence. It also 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.

The rule on share buy-back is laid out by the Stock Exchange and the mandate allows the Company to purchase up to 10% of the Company's total issued shares (excluding Treasury Shares and subsidiary holdings). The guidance on the price to be acquired is based on certain percentage and dependent whether the shares is purchased via the Market Purchase or Off-Market Purchase. We cannot predict the effect of share price due to share buy-back. Theoretically, when a company buy back its shares, the amount of shares in the market will be smaller and thus its share price will maintain or improve. However, this also depends on the sentiment and demand of the market. Shares bought back can either be cancelled or held as Treasury Shares. This is the mechanism used by a lot of companies dealing with share buy-back.

Question 23 Is the share buy-back mandate for the coming financial year or perpetual until cancelled at the next AGM?

Response

Share buy-back is renewed at every general meeting. For example, if the share buy-back mandate is approved at this AGM, it is valid until the next AGM. The mandate is valid on a year-to-year basis.

Question 24 Azeus have a strong cash position of over HK\$150m. Do you have a plan to increase dividend pay-out in the upcoming years?

Response

For the past 17 years, our dividend rates have ranged from 50% to 100% of the Company's profit. For this year, given the economic uncertainties, the Board felt that it would be prudent to maintain a strong cash position.

Question 25 How complicated will this hybrid setup be compared to virtual AGM>

Response

Hybrid meetings need not be complicated. Meetings can be held in the company premises or at a venue of choice by the client. Most importantly, the venue must be able to comply with current safe distancing requirements and have necessary facilities to accommodate the number of shareholders and guests. We will also need to look after users who are joining us physically as well as virtually and ensure that the instructions and setup cater to them. For Azeus' hybrid meeting, we have partnered with Suntec Singapore and Unearthed Productions, Asia's first Plug & Play Hybrid Experience Centre, that is designed to integrate both physical and virtual event experiences. Based on current regulations, venue premise staff is not counted within the designated maximum capacity of 50 pax, which enables us to maximise the number of shareholders and guests allowed to attend the meetings.

Question 26 Can you give an update on the uptake of your AGM solution? How many customers have signed up with you to date? What's your game plan for growth? How much revenue have you garnered for this AGM product?

Response

AGM@Convene have served over 400 clients in various countries. Due to competitive reasons, we are not able to share the revenue. It is currently not a significant contributor to our product business segment as it was just launched last year. We will continue to enhance our AGM@Convene product offerings to serve more segments of the local and overseas markets such as non-profit organizations, membership associations, and co-operatives. For example, one of the new features added recently is the Singpass integration that facilitates registration and log-ins.