

# 17LIVE

**17LIVE GROUP LIMITED**  
(Incorporated as an exempted company in the Cayman Islands)  
(Company Registration No. 378671)

## MINUTES OF EXTRAORDINARY GENERAL MEETING

**PLACE** : NUSS Mandalay Guild House, Adam Bukit and Orchard Suite, 2 Mandalay Road, Singapore 308206

**DATE** : Thursday, 28 November 2024

**TIME** : 10.00 a.m. (Singapore time)

**PRESENT** : **Board of Directors**

Mr Phua Jiexian, Joseph	Chairman and Non-Executive Non-Independent Chairman
Mr Tan Hup Foi	Lead Independent Director and Chairman of the Audit Committee
Dr Steve Lai Mun Fook	Independent Non-Executive Director and Chairman of both the Nominating and Remuneration Committees
Ms Chen Xiuling	Independent Non-Executive Director
Mr Hideto Mizuno	Independent Non-Executive Director
Mr Jiang Honghui	Executive Director and Chief Executive Officer

**ABSENT WITH APOLOGIES** : 

Mr Akio Tanaka	Non-Executive Non-Independent Director
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**IN ATTENDANCE** : 

Mr Kenta Masuda	Chief Financial Officer
Mr Joji Koda	Chief Investment Officer

Shareholders and other external professionals who attended the Extraordinary General Meeting as set out in the attendance records maintained by the Company.

**CHAIRMAN** : Mr Phua Jiexian, Joseph

## QUORUM

Mr Phua Jiexian, Joseph, Chairman of the Board (the “**Chairman**”) of 17LIVE Group Limited (the “**Company**”) welcomed the shareholders of the Company (the “**Shareholders**”) to the Extraordinary General Meeting (the “**Meeting**”)

As a quorum was present, the Chairman declared the Meeting open at 10.00 a.m.

## INTRODUCTION

The Chairman introduced the Board of Directors who were present and apologised for the absence of Mr Akio Tanaka. The Chairman also introduced the Chief Financial Officer, the Chief Investment Officer, representatives from the legal adviser to the Company, Eng & Co. LLC and Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. to the Meeting.

## NOTICE

The Notice of Meeting dated 7 November 2024 convening the Meeting (“**Notice**”) had been released on SGXNET and also published on the Company’s corporate website.

With consent of the Meeting, the Notice was taken as read.

## CONDUCT OF VOTING

The Chairman informed that, in his capacity as Chairman of the Meeting, he directed voting of all resolutions to be conducted by way of poll voting.

The Chairman also informed that in his capacity as Chairman of the Meeting, he had been appointed by several Shareholders as proxy and would be voting in accordance with their instructions.

As set out in paragraph 6 of the Company’s circulated dated 7 November 2024 (the “**Circular**”), Shareholders who are employees and Directors of the Company and/or its Affiliates who are eligible to participate in the 17LIVE ESOP (as defined in the Circular) or amendments to the 17LIVE ESOP have abstained from voting on Ordinary Resolutions 2 and 3.

## PRESENTATION BY THE CHIEF EXECUTIVE OFFICER

The Chairman invited Mr Jiang Honghui, the Executive Director and Chief Executive Officer of the Company (the “**CEO**”) to give a presentation on the Company’s business updates as well as the resolutions to be approved at this Meeting.

Copies of the presentation slides had been released via SGXNET and published on the Company’s corporate website.

## QUESTIONS AND ANSWERS

The Chairman informed Shareholders that the Company did not receive any questions in advance from Shareholders as at 10.00 a.m. on 15 November 2024.

Responses to the questions from the Securities Investors Association (Singapore) received in advance had been published on SGXNET and the Company’s corporate website.

Queries from the Shareholders were dealt with as per **Appendix A**.

The Chairman further informed that all resolutions would be put to vote by way of a paper poll and Boardroom Corporate & Advisory Services Pte. Ltd. (the “**Polling Agent**”) and Reliance CNP Business Advisory Pte. Ltd. have been appointed as the polling agent and scrutineer respectively for the conduct of the poll.

Thereafter, the Chairman explained the polling procedure and how the voting slip was to be completed.

The Chairman then directed the poll on each motion to be taken after all the motions have been formally proposed.

#### **ORDINARY RESOLUTION 1 – THE PROPOSED ADOPTION OF SHARE BUYBACK MANDATE**

The first item on the agenda was to approve the Proposed Adoption of the Share Buyback Mandate.

The motion in relation to Ordinary Resolution 1 as set out in the Notice was duly proposed by the Chairman.

#### **ORDINARY RESOLUTION 2 – THE PROPOSED AMENDMENTS TO THE RULES OF THE 17LIVE ESOP**

The Shareholders were informed that Ordinary Resolution 2 was to approve the proposed amendments to the 17LIVE Group Limited Employee Share Option Plan, details of which are set out in Appendix A of the Circular.

The motion in relation to Ordinary Resolution 2 was duly proposed by the Chairman.

#### **ORDINARY RESOLUTION 3 – THE PROPOSED ALLOTMENT AND ISSUANCE OF UP TO 5,200,000 NEW ESOP SHARES PURSUANT TO THE AMENDED 17LIVE ESOP**

Ordinary Resolution 3 was to approve the allotment and issuance of up to 5,200,000 New ESOP Shares pursuant to the Amended 17LIVE ESOP.

The motion in relation to Ordinary Resolution 3 as set out in the Notice was duly proposed by the Chairman.

The Chairman invited Shareholders to complete their respective poll voting slips and hand over the same to the Polling Agent.

The Chairman adjourned the Meeting at 10.45 a.m. while the poll votes were being counted and verified.

The Meeting was re-convened at 11.05 a.m. and the Chairman announced results of the poll as follows:

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 for and against the resolution (%)	Number of Shares	As a percentage of total number of votes for and against the resolution (%)
<b>Ordinary Resolution 1</b> The Proposed Adoption of the Share Buyback Mandate	79,393,623	79,390,263	100.00	3,360	0.00

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 for and against the resolution (%)	Number of Shares	As a percentage of total number of votes for and against the resolution (%)
<b>Ordinary Resolution 2</b> The Proposed Amendments to the Rules of the 17LIVE ESOP	43,874,864	43,871,504	99.99	3,360	0.01
<b>Ordinary Resolution 3</b> The Proposed Allotment and Issuance of up to 5,200,000 Shares pursuant to the Amended 17LIVE ESOP	43,874,864	43,871,504	99.99	3,360	0.01

\* Rounded up to 2 decimal places

Based on the results of the poll, the Chairman declared all motions were carried and it was RESOLVED:

#### ORDINARY RESOLUTION 1

"THAT:

- (a) the authority conferred on the Directors of the Company ("**Directors**") to exercise all the powers of the Company to purchase or otherwise acquire issued ordinary shares fully paid in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (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 purchase(s) (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), through the ready market, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
  - (ii) off-market purchase(s) (each an "**Off-Market Purchase**") in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit,

and otherwise in accordance with all applicable laws and regulations, including but not limited to the provisions of the Cayman Companies Act and the Listing Manual of the SGX-ST as may for the time being be applicable, be and is hereby approved generally and unconditionally (the "**Share Buyback Mandate**");

- (b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buyback Mandate shall be held by the Company as treasury shares and shall not be deemed cancelled;
- (c) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Buyback 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 (“**AGM**”) 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 Buyback Mandate are carried out to the full extent mandated; or
  - (iii) the date on which the authority conferred by the Share Buyback Mandate is varied or revoked by the Company in a general meeting;
- (d) in this Resolution:

“**Maximum Limit**” means that number of Shares representing not more than 10% 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, at any time during the Relevant Period (as defined below), reduced its share capital in accordance with the applicable provisions of the Cayman Companies Act, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered after such capital reduction (excluding any treasury shares or subsidiary holdings that may be held by the Company from time to time); and

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

- (i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price (as defined hereinafter),

where:

“**Relevant Period**” means the period commencing from the date on which this Resolution is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier;

“**Average Closing Price**” means the average of the closing market prices of the Shares traded on the SGX-ST over the last five Market Days (a “**Market Day**” being a day on which the SGX-ST is open for trading in securities), on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five Market Days and on which the purchases are made; and

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, 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; and

- (e) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.”

## **ORDINARY RESOLUTION 2**

“THAT:

- (a) the amendments to the 17LIVE Group Limited Employee Share Option Plan (the "**17LIVE ESOP**"), details of which are set out in Appendix A of the Circular, be and are hereby approved; and
- (b) the Directors be and are hereby authorised:
  - (i) to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the amendments to the rules of the 17LIVE ESOP; and
  - (ii) to complete and do all acts and things (including executing such documents as may be required) as they may consider necessary, desirable or expedient for the purposes of or to give effect to this resolution as they think fit and in the interests of the Company.”

## **ORDINARY RESOLUTION 3**

“THAT:

- (a) the allotment and issuance by the Company of up to 5,200,000 New ESOP Shares pursuant to the Amended 17LIVE ESOP be and is hereby approved; and
- (b) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.”

## **CONCLUSION**

There being no other business to transact, the Chairman declared the Meeting closed at 11.10 a.m.

## **CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD**

**PHUA JIEXIAN, JOSEPH**  
**CHAIRMAN**

**QUESTIONS AND ANSWERS RAISED AT THE EXTRAORDINARY GENERAL MEETING (“EGM”) OF 17LIVE GROUP LIMITED (THE “COMPANY”) HELD ON 28 NOVEMBER 2024**

*Unless otherwise defined, all capitalised terms used herein shall have the same meaning ascribed to them in the circular dated 7 November 2024 to shareholders of the Company (“Circular”). Some questions and answers have also been edited for clarity.*

<b>Questions relating to the EGM resolutions</b>	
1.	<p><b>The Shareholder expressed that he was glad that the Company decided to adopt the share buyback mandate. He pointed out the declining share price of the Company’s shares since its business combination of S\$5/- to approximately S\$1/- currently. The Shareholder asked:</b></p> <p>(a) <b>Whether the Company’s current business model and taking into account its capex projections, is able to support the Company’s share buyback without drawing its IPO proceeds reserve?</b></p> <p>(b) <b>Will the Company be using its treasury shares (acquired through the share buyback), to incentivise N Craft Co., Ltd (“N Craft”) and mikai Inc. (“Mikai”) to become strategic partners and participate in the Company’s long-term growth?</b></p> <p>The Company generates positive cash flow from operations every quarter, not only to support its operating needs but also to facilitate inorganic mergers and acquisitions and fund strategic initiatives such as the share buyback exercise.</p> <p>Further, there are limits imposed on the share buyback mandate, including but not limited to, the price and number of Shares the Company is permitted to purchase. Under the mandate, the Company is allowed to buy back not more than 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings). We do not foresee that the share buyback will impact the Company’s operating needs.</p> <p>The acquisitions of N Craft and Mikai were all completed prior to the Proposed Adoption of the Share Buyback Mandate tabled at this EGM. The CEO assured N Craft’s and Mikai’s interests are with the Group.</p> <p>The Company may consider utilising its treasury shares for future acquisitions.</p>
2.	<p><b>The Shareholder commented that the Group can tap its intellectual property (“IP”) business as it can generate cash if there is a sudden surge in public interest in the virtual IP characters. He asked whether the Group would be leveraging such strategy by adding more characters to generate more cash?</b></p> <p><b>The Shareholder noted Mikai’s popular virtual artists, such as Leona Shishigami and Kyo Hanabasami, are popular on YouTube rather than 17LIVE. He further asked:</b></p> <p>(a) <b>Under the 17LIVE Forward Strategy, what could be some ways for the Company to enhance cash generation to facilitate the share buyback exercise?</b></p> <p>(b) <b>Will the Group be venturing into collectibles business as a new source of revenue?</b></p> <p>The Group’s three (3) strategic pillars under its Forward Strategy presented earlier include plans which will generate cash as well as utilisation of cash. Share buyback is one of them but it is a capital market strategy and it will not affect the Group’s overall forward strategic needs.</p>

<b>Questions relating to the EGM resolutions</b>	
	<p>Currently, the biggest V-Liver platforms are YouTube and Twitch. Major IP houses such as Mikai, Nijisanji and Hololive focus on streaming their virtual characters on YouTube. There are four (4) main business models for an IP house, being live streaming, merchandising, hosting physical events and IP collaborations with various enterprises (e.g. IP licensing).</p> <p>With the acquisition of Mikai, the Company will be able to leverage its IP business models.</p> <p>Although Mikai's V-Tubers are primarily on Youtube, the Group will still be able to generate revenue from these streaming activities. Additionally, key virtual Ips such as Leona Shishigami and Kyo Hanabasami also generate revenue through merchandise sales.</p>
3.	<p><b>If the V-Livers were to stream on 17LIVE platform, would the Group be generating more revenue?</b></p> <p>The business model of YouTube live streaming primarily revolves around YouTube Super Chat, which allows viewers' paid comments to stand out more than ordinary comments during a live stream. There are many other business models in the market designed to encourage fans to spend, and our business models differ from YouTube.</p> <p>We welcome V-Tubers to stream on 17LIVE platform. However, V-Tubers usually dedicate their time to one platform and they may choose the platform that generates more revenue for them.</p> <p>Once the Group owns the IP, our goal is to ensure that these IPs generate maximum revenue for the Group as a whole. N Craft has over 100 IPs, with some performing better on YouTube and others doing better on 17LIVE. We do not restrict V-Livers and V-Tubers to a single platform. Instead, we leverage on our IP business to generate returns across multiple platforms.</p>
4.	<p><b>The Company may consider creating its own NFT (non-fungible tokens) coins as a form of gifting to fans, allowing them to invest and potentially benefit from capital appreciation through trading these NFT coins.</b></p> <p>The CEO thanked the Shareholder for his input. However, the Group has not yet adopted the blockchain/NFT model. The Group may consider it in the future.</p>