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**ANNUAL GENERAL MEETING TO BE HELD ON 30 JULY 2025**

**RESPONSES TO QUESTIONS RECEIVED FROM SHAREHOLDERS AND THE  
SECURITIES INVESTORS ASSOCIATION (SINGAPORE) PRIOR TO THE COMPANY'S  
ANNUAL GENERAL MEETING**

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The Board of Directors (the "**Board**") of Azeus Systems Holdings Ltd (the "**Company**") would like to thank shareholders for submitting their questions ahead of the Company's Annual General Meeting ("**AGM**") to be held at Holiday Inn Singapore Atrium, Kallang Room, Level 4, 317 Outram Road, Singapore 169075 and by electronic means on 30 July 2025 at 10.00 a.m. (Singapore time).

Please refer to **Annex A** and **Annex B** hereto for the Company's responses to the substantial and relevant questions received from shareholders and the Securities Investors Association (Singapore).

By order of the Board

Lee Wan Lik  
Executive Chairman  
25 July 2025

**RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS FROM  
SHAREHOLDERS**

**1. What is the breakdown of Convene, Convene Records and Convene ESG revenue? For Convene Records, is Azeus targeting beyond the Hong Kong government?**

Due to the highly competitive nature of our market, we do not disclose the breakdown of revenue for individual products. However, as disclosed earlier, Azeus Products continued to drive revenue growth in FY2025, contributed mainly from the product licensing sales of our two proprietary products, Convene and Convene Records, along with their associated professional services.

*Convene (Board Meeting Solution):*

Our flagship product, Convene, remains a core contributor to our revenue. We have consistently invested in its development and expanded its reach into new countries and regions to support long-term growth.

*Convene Records:*

We are exploring opportunities to expand Convene Records beyond Hong Kong and outside the public sector. We are identifying use cases to meet the needs of potential customers in other regions in the long term.

*Convene ESG:*

Additionally, we have been investing aggressively in building up the ESG reporting platform offering, Convene ESG.

Convene ESG is a relatively new addition to our product suite and currently contributes a small percentage of the product revenue. We are actively refining the solution to align with evolving global regulatory standards and expanding its footprint in the European Union. With ESG reporting gaining importance worldwide, we view Convene ESG as a potential contributor in the future.

**2. Good to see good growth in all geographies, except ANZ, why?**

Our product business has a truly global footprint, with customers reaching over 100 countries. Over the past few years, we have continued to invest strategically to expand our geographic presence focusing on emerging markets, which has resulted in strong revenue growth in regions such as the Middle East, Africa, and the Americas — driven primarily by our flagship solution, Azeus Convene.

Despite being a mature market in a region with relatively low growth, the ANZ delivered double-digit growth in FY2025. However, the reported revenue in Hong Kong Dollar was impacted by the depreciation of the Australian dollar, which offset the underlying performance.

We see potential and will continue to invest in growing our market share including exploring its potential for our ESG reporting platform.

### **3. How much of the product revenue this year is non-recurring?**

We have not disclosed the breakdown of “non-recurring” revenue for Azeus Products as it is not a mandatory disclosure under current accounting standards. However, we have provided a detailed breakdown of revenue in note 4, page 65 of our annual report, the “Disaggregation of revenue”. This section outlines revenue and provides further transparency of revenue categorised “over time” and “at a point in time” by different segments and type, based on various accounting revenue recognition policies, business model and nature of the contracts and related performance obligations requirements.

To give more insights, our flagship product, Convene, operates on a SaaS model, generating primarily recurring revenue. The revenue from Convene Records is derived from the Central Electronic Record Keeping System (“CERKS”) project in Hong Kong. The total estimated implementation and deployment revenue is HK\$633.9 million, which will be recognised throughout the implementation and deployment period, expected to be completed by fiscal year 2027. Additionally, the post-deployment recurring revenue, which covers maintenance and support, is approximately HK\$381.4 million and will span a period of 10 years. The final number of deployed users and contract price is expected to fluctuate as the deployment continues.

### **4. How is Azeus using AI? What is the impact of fastening development in AI in various industries and generative AI in general going to affect Azeus in the short to long term?**

With the rapid evolution of the technology, we recognise the transformational nature of AI for many industries including ours.

We are actively building our AI R&D capabilities and embedding AI into the core of our product offerings. Our latest version of the ESG product is specifically designed to be not just AI-first but AI-native.

Internally, our R&D team has also incorporated AI tools for enhancing productivity in software development processes, exploring innovative techniques like vibe coding and extensively utilising AI in our testing phases.

Beyond engineering, we are exploring AI's potential across all business functions — from marketing and sales to customer engagement and operational workflow.

Our goal is to ensure that AI is woven into the fabric of everything we do. We will continue to invest and explore innovative ways to leverage emerging AI technologies within our product landscape to improve the products' functionality and user experience and to optimise operational efficiency and quality.

**RESPONSES TO QUESTIONS RECEIVED FROM THE SECURITIES INVESTORS  
ASSOCIATION (SINGAPORE)**

1. The group reported a strong performance in FY2025, with revenue rising to HK\$475 million and net profit reaching HK\$167 million. Earnings per share stood at HK\$5.56.

As highlighted in the chairman and CEO's message, the group's largest contract, the 53-month, HK\$1.02 billion Central Electronic Record Keeping System ("CERKS"), has entered its deployment phase. The rollout is expected to continue until FY2027. The remaining revenue from licensing and deployment will be recognised over FY2026 and FY2027, in line with the deployment schedule.

- i. **Can management clarify how much of the HK\$1.02 billion CERKS contract has been recognised as revenue to date?**

As disclosed upon the award of the contract on 9 May 2022, the total estimated contract value is HK\$1.02 billion. This will cover the design and development of CERKS with a total estimated implementation price of HK\$633.9 million, as well as estimated maintenance and support for the system for 10 years of HK\$381.4 million following its implementation. The actual total contract value will be subject to change upon confirmation of the number of users from the Hong Kong government.

The design and implementation work for the CERKS project was completed and we have entered its deployment phase across various government departments and bureaus in the previous fiscal year, which has contributed to the increase in revenue in FY2025. As at 31 March 2025, the accumulated revenue which has been recognised was roughly 40% of the implementation price. We anticipate the revenue for the CERKS contract in FY2026 to be similar as FY2025, subject to the changes in the deployment schedule and the actual numbers of users. The final number of deployed users and contract price is expected to fluctuate as deployment continues.

- ii. **Post-deployment, what is the expected run-rate of recurring revenue (e.g., support, upgrades, hosting) from CERKS?**

The one-off implementation and deployment phase is expected to be completed by fiscal year 2027. Post deployment, the recurring revenue, which represents the maintenance and support fees of approximately HK\$381.4 million, will be recognised and will cover a period of 10 years.

- iii. **To what extent is the group using artificial intelligence (AI) to improve delivery efficiency, for example, in software development or system integration? Has AI adoption materially reduced development costs or time-to-deploy?**

With the rapid evolution of the technology, we recognise the transformational impact of AI to many industries including ours.

Internally, our R&D team has also incorporated AI tools for enhancing productivity in software development processes, exploring innovative techniques like vibe coding and extensively utilising AI in our testing phases.

Beyond engineering, we are exploring AI's potential across all business functions, from marketing and sales to customer engagement and operational workflows.

- iv. **Are AI-enabled features actively requested by CERKS or Azeus Products clients? How are these capabilities being built into the product roadmap and could AI-led functionality upgrades be a key growth driver for the group?**

We are actively building our AI R&D capabilities and embedding AI into the core of our product offerings. Our latest version of Convene ESG, our ESG product, is specifically designed to be AI-first.

Our goal is to ensure that AI is woven into the fabric of everything we do. We will continue to invest and explore innovative ways to leverage emerging AI technologies within our product landscape to improve the products' functionality and user experience and to optimise operational efficiency and quality.

2. The group generated nearly two-thirds of its revenue from Hong Kong and other parts of Asia. According to the annual report, revenue increased across all geographic segments. Notably, Azeus Convene Software LLC was incorporated in the United Arab Emirates (UAE) during the financial year, adding to the group's existing presence in Saudi Arabia.

(b) Geographical information

The Group's revenue by region or country where sales are generated is as follows:

	Sales for continuing operations	
	2025	2024
	HK\$'000	HK\$'000
Hong Kong and Asia	301,672	187,460
United Kingdom and Europe	54,419	46,709
Middle East	51,120	37,261
Australia and New Zealand	21,428	20,241
Africa	25,435	20,056
North America and South America	20,722	17,213
Total	474,796	328,940

(Source: company annual report)

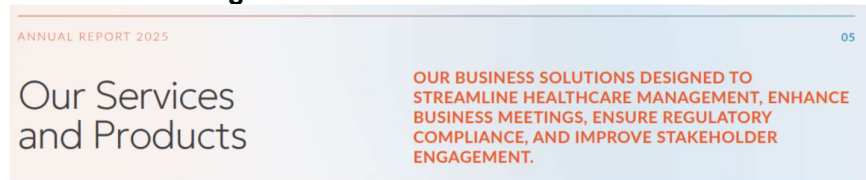
- i. **What are the primary drivers of revenue growth in the Middle East and does management view this region as a structurally high-growth market for the group in the mid-to-long term? Are customers acquired via direct sales, government tenders, or channel partnerships?**

Our product business has a truly global footprint, with customers from over 100 countries. Over the past few years, we have continued to invest strategically to expand our geographic presence focusing on emerging markets, which has resulted in strong revenue growth in regions such as the Middle East, Africa, and the Americas — driven primarily by our flagship solution, Azeus Convene.

The Middle East is deemed as a high growth market for Azeus and we have and will continue to invest to capture market share and become a leading provider.

Our customers are acquired through various channels including both direct sales and resellers as well as via government tenders.

- ii. **Separately, given the emphasis on healthcare management solutions in the corporate profile, what are the group's key differentiators in this segment and how much of the group's revenue could be attributed to healthcare management?**



We do not breakdown our revenue by product. Our healthcare product is currently sold to the UK market only and is currently a small contributor to the Group's revenue.

- iii. **In an increasingly saturated ESG reporting market, what makes Convene ESG distinct in terms of product architecture, data integration, or user experience? What tangible commercial milestones have been achieved to date?**

The ESG market is fast evolving with a range of existing and emerging providers. We are among the early providers, and we are investing heavily to emerge as a leading player.

Convene ESG is a relatively new addition to our product suite. We are actively refining the solution to align with evolving global regulatory standards. As stated in the previous Question 1 iv, we are actively building our AI R&D capabilities and embedding AI into the core of our product offerings. Our latest version of Convene ESG is specifically designed to be AI-first. With ESG reporting gaining importance worldwide, we view Convene ESG as a high-potential offering in the years ahead.

Our ESG Reporting platform is targeted for the global market. We now support more than 30 global and national ESG frameworks/standards. We see ESG reporting as a global challenge for companies and intend for our platform to be a global one. We now have customers in some 20 countries.



3. The attendance of directors at board and board committee meetings is shown on page 13 of the annual report and reproduced below.

During FY2025 the number of meetings held by the Board and its committees, and the details of the attendances are as follows:

	Board of Directors	Audit Committee	Remuneration Committee	Nominating Committee
Number of Meetings held	2	2	1	1
Name	Number of Meetings attended			
Mr Lee Wan Lik (Executive Chairman and Executive Director)	2	2*	1*	1
Mr Michael Yap Kiam Siew (Chief Executive Officer and Deputy Chairman)	2	2*	1*	1*
Professor Chan Ching Chuen (Independent Director) (retired on 30 July 2024)	2	2	1	1
Mr Stephen Ho ChiMing (Lead Independent Director)	2	2	1	1
Professor Chee Yeow Meng (Independent Director)	2	2	1	1
Mr Pan Kit Kuan (Independent Director) (appointed on 20 September 2024)	1	1	N.A.	N.A.

Notes: \* - by invitation

N.A. - not applicable as the Director was not the committee member at the time of meeting

(Source: company annual report)

i. **Is it standard practice for executive directors who are not formal members of a board committee to attend board committee meetings?**

Executive directors are invited to attend board committee meetings voluntarily to provide oversight of key matters. Their presence is valuable for offering operational insights, clarifying management perspectives, and supporting informed decision-making. However, attendance is usually at the invitation of the committee and is subject to the committee's discretion. Executive directors usually do not have voting rights within the committee and may be asked to step out during discussions where they may be potential conflicts. The committees are keen to maintain board independence and adhere to corporate governance practices.

ii. **What is the dynamic of the board committee meetings when the board committee members may be reviewing and discussing matters that are related to or affect the executive directors?**

The Group has adopted an internal policy and established procedures for the review and approval of company matters.

The Independent Directors will meet up when necessary to discuss concerns or matters such as the effectiveness of management, without the presence of Management. During FY2025, the Independent Directors met once in the absence of key management personnel.

**iii. Are the committees able to make decisions objectively and independently?**

The Company complies with Provision 2.2. of the Code of Corporate Governance (“Code”) as a majority of the Board members are Independent Directors. In addition, both the Audit Committee and Remuneration Committee are composed entirely of Independent Directors, while the Nominating Committee (“NC”) comprises a majority of Independent Directors. The NC will also examine the different relationships identified by the Code that might impair each Independent Director’s independence and objectivity and conclude that all the Independent Directors are able to exercise independent business judgement in the best interests of the Company and its shareholders on an annual basis.