

## GENERAL ANNOUNCEMENT::RESPONSE TO FOLLOW UP QUESTIONS - AGM 2022

### Issuer & Securities

#### Issuer/ Manager

REVEZ CORPORATION LTD.

#### Securities

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#### Stapled Security

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#### Submitted By (Co./ Ind. Name)

Victor Neo

#### Designation

Executive Director, Chief Executive Officer and Deputy Board Chairman

#### Description (Please provide a detailed description of the event in the box below)

Please refer to attached.

### Attachments

[REVEZ\\_Annc-Response To Follow Up Questions AGM2022.pdf](#)

Total size =665K MB

**REVEZ CORPORATION LTD.**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201119167Z)

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**RESPONSE TO FURTHER QUESTIONS RECEIVED PRIOR TO THE COMPANY'S ANNUAL GENERAL MEETING HELD ON 27 APRIL 2022**

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The Board of Directors (“**Board**”) of Revez Corporation Ltd. (“**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcement (“**Board’s Response**”) on 22 April 2022 on the response to questions received in advance of the Annual General Meeting (“**AGM**”) which was held by electronic means on 27 April 2022 at 2.00 p.m..

The Board would like to address the further questions (“**Further Questions**”) which were received on 26 April 2022.

The following are the responses to the Further Questions being raised.

**Q1. The Board, by its Response to Questions 8 and 9, has maintained that shareholders will not be permitted to and/or be able to ask questions during the AGM. In particular, the Board, in its Response to Question 9, stated that “the Company did not adopt real- time electronic communication facilities, such as video conferencing, tele-conferencing or live chat, to enable questions to be raised, and responded to, at general meetings.”**

**Inherent in its Response to Question 9, is that the Board had an option to adopt real- time electronic communication facilities, such as video conferencing, tele-conferencing or live chat, to enable questions to be raised, and responded to, at general meetings (“Facilities for Shareholder Engagement”).**

- 1.1 Do confirm whether the Board had an option to adopt or to not adopt Facilities for Shareholder Engagement.**
- 1.2 Do confirm that despite the option to adopt Facilities for Shareholder Engagement, the Board chose not to.**
- 1.3 Do state the cost of adopting Facilities for Shareholder Engagement as per the option presented to the Board.**
- 1.4 Do state the cost of the “live” audio-visual webcast and the “live” audio-only stream option adopted by the Board for the AGM proceedings.**

**Answer**

In holding its AGM, the Company took into account and complied with the relevant requirements and guidance pursuant to, amongst others, the following:

- the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 for the purpose of its AGM; and
- the Joint Statement by Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation which provides guidance on the conduct of general meetings amid evolving COVID-19 situation.

**Q2.** In making the decision to not adopt Facilities for Shareholder Engagement, did the Board take into consideration the SGX circular dated 1 October 2020 titled “Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation” (“SGX Circular”). The SGX Circular was also published on the Ministry of Law’s website under “Important Guidance”. In particular, did the Board consider paragraph 3.2 of the SGX Circular, as reproduced below:-

*“3.2 General meetings also present the Board of Directors and management with an excellent opportunity to interact with shareholders and members. In addition to the option of allowing shareholders to submit their questions, ahead of general meetings, via email and post, issuers are also encouraged to adopt real-time electronic communication facilities, such as video conferencing, tele-conferencing or live chat, to enable questions to be raised, and responded to, at general meetings.”*

**2.1** If the Board had considered the guidance provided by the SGX Circular, then state all the factors that the Board relied on to not abide by the specific guidance provided by the SGX Circular to adopt Facilities for Shareholder Engagement at the AGM?

**2.2** If the Board had not considered the guidance provided by the SGX Circular, what were the reasons for the Board to not have considered the SGX Circular dated 1 October 2020?

**2.3** Bearing in mind the troubling performance of the Company (as recognized by both the Board Chairman and the CEO in their respective Messages for AR2021) did the Board not consider that it would help to establish shareholders’ confidence in the Board and its stewardship of the Company by adopting Facilities for Shareholder Engagement.

**Answer**

See the Company’s response to Question 1 above.

**Q3.** The Board, in its Response to Question 7, has stated that it approved the disposal cash consideration of Newood after taking into account, amongst others, (i) the challenge of securing new projects to sustain Newood’s monthly fixed operations costs.

**3.1** What was Newood’s monthly fixed operations costs at the time of its disposal by the Company?

**Answer**

Referring to the Company’s Response on 22 April 2022, the challenge of securing new projects to sustain Newood’s monthly fixed operations costs would have potentially resulted in a negative financial position. As referred to AR2021, MICE segment has incurred a net loss of S\$157,496.

**3.2** How much of the Company’s order book (as a percentage) as at 31 December 2019 and 31 December 2020, was attributable to Newood?

**Answer**

The value of the order books as at 31 December 2019 and 31 December 2020 were not disclosed by the Company.

**3.3** Of such amount of the order book attributable to Newood as at 31 December 2019 and 31 December 2020, how much (as a percentage) translated to revenue recognized by the Company as at FY2020 and FY 2021?

**Answer**

See the Company’s response to Question 3.2 above.

**3.4** At which point in time did the Board come to the view that there was a challenge to secure new projects to sustain Newood’s monthly fixed operations costs? At that aforesaid point in time, was Newood a profitable business unit of the Company? If Newood was not already profitable (when the Board came to the view that it was a challenge to secure new projects to sustain Newood), identify the point in time when Newood became an unprofitable business unit of the Company?

**Answer**

Please refer to the Company's annual reports for the financial years ended 31 December 2020 and 2021 where MICE segment has been affected due to COVID-19.

Financial year	Loss for the year on MICE Segment
FY2021	S\$157,496
FY2020	S\$107,829

**Q4. The Board, in its Response to Question 5, has failed to answer or adequately answer Question 5.****4.1 In its Answer to Question 5.1, the Board has simply asserted that it has taken steps to regularly review and monitor the performance of the RM CGU without addressing whether:**

- (i) the Board has identified what the root causes are;
- (ii) there is a revised strategy for the RM CGU; and
- (iii) the revised strategy for a key subsidiary of the Company would overcome the root causes.

We require Question 5 and this Further Question 4.1 to be answered.

**Answer**

Referring to the Company's Response on 22 April 2022, RM has taken a conservative approach in its cash flow forecast for the impairment testing due to COVID-19 situation as businesses continues to be affected in general and is longer than expected.

**4.2 The only generic response from the Board in its Answer to Question 5.1 appears to be the COVID-19 situation. As is clear from AR 2020, the subsidiary which was purported to have Domain Expertise in the MICE Support Segment was Newood whilst the RM CGU's Domain Expertise has always been identified to be in the Immersive Multimedia, ICT and Cybersecurity Segments. That being the case, identify:**

- (i) For FY2019, what was the overall revenue contribution (as a percentage) to the RM CGU from the MICE segment;
- (ii) For FY2020, what was the overall revenue contribution (as a percentage) to the RM CGU from the MICE segment;
- (iii) For FY2021, what was the overall revenue contribution (as a percentage) to the RM CGU from the MICE segment; and
- (iv) For FY 2022, what is the projected overall revenue contribution (as a percentage) to the RM CGU from the MICE segment.

**Answer**

Consistent to the Company's annual report and due to commercial sensitivities, the Company does not propose to disclose overall revenue contribution to the RM CGU from the MICE segment.

**Q5. The Board, in its Response to Question 1, has defined order book as secured orders from customers. Do clarify what a "secured order from customer" means including whether a legally binding order/contract/agreement would have been entered into by the Company with that customer.****Answer**

Secured orders refer to confirmed orders from customers.

**5.1 Where a “secured order” is not legally binding on either the customer or the Company, what are the characteristics of such orders are they, without limitation, an expression of interest on the part of a customer.**

**Answer**

See the Company’s response to Question 5 above.

**5.2 Where a “secured order” is not legally binding on either the customer or the Company, what objective basis (if any) does the Board apply to ascertain the value of such secured orders for inclusion as the Company’s order book?**

**Answer**

See the Company’s response to Question 5 above.

**5.3 Where a “secured order” is legally binding, does the Company require any deposits, advance payments or payment/performance guarantees to be provided before recognizing such orders as secured orders?**

**Answer**

Secured orders refer to confirmed orders from customers, with agreed terms based on commercial and competitive considerations accordingly.

**5.4 Where a “secured order” is legally binding, is the Company entitled to any compensation from the customer for any cancellation of such secured orders. What has been the rate of cancellation of secured orders (included in the Company’s order book) for FY 2019, FY 2020 and FY 2021.**

**Answer**

See the Company’s Response to Question 5.3 above. As the cancellation terms would constitute commercially sensitive information, the Company does not intend to disclose the same publicly.

**5.5 The Board has also confirmed that the gross profit margin of all secured orders that comprise the order book are ascertained. However, the Board, citing commercial sensitivities and its opinion that gross profit margins only provide a limited view of the Company’s profitability, has proposed to not disclose the variations of the gross profit margins of its order book. Instead, the Board has advised shareholders to peruse the audited financial statements of the Group for the relevant financial years.**

**Will the Board confirm:**

- (i) That the audited financial statements of the Group do not make for comfortable reading due to widening losses despite year-on-year revenue growths;**
- (ii) That given the phenomena of increasing revenue leading to increasing losses, any perusal of the audited financial statements of the Company would provide a far more limited view of the Company’s lack of profitability;**
- (iii) That nowhere in the audited financial statements of the Company has the root cause (for the increasing losses despite increasing revenues) been identified, let alone the strategy to overcome such root cause(s).**

**Answer**

Shareholders are encouraged to peruse the disclosures set out in the Company’s annual reports for the past financial years for further information.

5.6 Given the opaqueness as to the reason(s) for the Company's increasing losses against increasing revenues, do:

- (i) State the percentage of the Company's order book as at 31 December 2019 that was subsequently recognized as revenue by the Company in FY 2020 or FY 2021;
- (ii) Of the percentage of the secured orders (from the Company's order book as at 31 December 2019 that was subsequently recognized as revenue by the Company in FY 2020 or FY 2021), state the variance between the gross profit margins that had been approved as part of the approval process referred to in Answer 1.2 and the actual gross profit margins that had in fact been achieved;
- (iii) State the percentage of the Company's order book as at 31 December 2020 that was subsequently recognized as revenue by the Company in FY 2021;
- (iv) Of the percentage of the secured orders (from the Company's order book as at 31 December 2020 that was subsequently recognized as revenue by the Company in FY 2021), state the variance between the gross profit margins that had been approved as part of the approval process referred to in Answer 1.2 and the actual gross profit margins that had in fact been achieved.

**Answer**

Please refer to Company's Response on 22 April 2022, stating that the respective values of the order book as at 31 December 2019 and 31 December 2020 were not disclosed by the Company.

5.7 The Board, in its Response to Question 1.4, has asserted that the respective values of the order book recognized by the Group as 31 December 2019 and 31 December 2020 had not been disclosed. Given that the Board has approved the release of the Company's order book as at 31 December 2021 in AR2021, there cannot now be any reasons for not disclosing the values of the Company's order book as at 31 December 2019 and 31 December 2020. That being so and for shareholders to ascertain the performance of the Board, do state the values of the order book as at 31 December 2019 and 31 December 2020.

**Answer**

Please refer to Company's Response on 22 April 2022, stating that the respective values of the order book as at 31 December 2019 and 31 December 2020 were not disclosed by the Company.

Q6. In AR 2021, the Board had stated that "[t]he Company has not disclosed details of the remuneration of its Directors and key management personnel as the Board believes that full disclosure of the remuneration of each Director and key management personnel as recommended by the Code would be prejudicial to the Group's interest and hamper its ability to retain and nurture the Group's talent pool". As admitted by the Board, the Board has chosen to not abide by the recommendations of the Code.

The Board, in its Response to Question 2, has chosen not to even disclose whether there has been any change (increase or decrease) to the fixed salary component of the Executive Directors (even when the absolute amount of such fixed salary component was specifically sought not to be disclosed). The explanation given by the Board appears to again be that such disclosure "would be prejudicial to the Group's interest and hamper its ability to retain and nurture the Group's talent pool". Please state how not disclosing this change (if any) is consistent with the aim and philosophy of Principle 8 of the Code.

**Answer**

The Company is of the view that it has put in place corporate governance structures in compliance with Principle 8 of the Code of Corporate Governance 2018 and the Catalist Rules, and have given appropriate explanations for any deviations from the applicable Provisions thereunder.

**Q7. Principle 8 of the Code requires the Company to be transparent on, among others, the relationships between remuneration, performance and value creation. To facilitate better understanding of the relationships between remuneration, performance and value creation, do disclose the following information:**

**the breakdown in Company and individual performance outcomes and actual remuneration paid, including explanations where Company and/or individual performance outcomes were not achieved yet remuneration was not adjusted in line with the remuneration policy.**

**Answer**

See the Company's Response to Question 6 above.

By Order of the Board  
**REVEZ CORPORATION LTD.**

Neo Wee Han Victor  
Executive Director, Chief Executive Officer and Deputy Board Chairman

Date: 03 May 2022

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*This announcement has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Ms. Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone (+65) 6415 9881.*