

**KPJ HEALTHCARE BERHAD**

**MINUTES OF THE 25TH ANNUAL GENERAL MEETING  
HELD AT TANJUNG PUTERI 302, PERSADA JOHOR INTERNATIONAL  
CONVENTION CENTRE, JALAN ABDULLAH IBRAHIM, 80000 JOHOR BAHRU,  
JOHOR ON MONDAY 23 APRIL 2018 AT 12.00 P.M.**

**PRESENT** : **Directors**  
YB Dato' Kamaruzzaman Bin Abu Kassim  
YBhg Dato' Amiruddin Bin Abdul Satar  
YBhg Tan Sri Siti Sa'diah Sh Bakir  
Tuan Hj Aminudin Bin Dawam  
Puan Zainah Binti Mustafa  
YBhg Datuk Azzat Kamaludin  
Tuan Hj Zulkifli Bin Ibrahim  
Dr Kok Chin Leong  
YBhg Prof. Dato' Dr Azizi Bin Hj Omar  
YBhg Dato' Dr Zaki Morad Bin Mohamad Zaher  
Tuan Hj Mohd Sahir Bin Rahmat

**IN ATTENDANCE**

**Secretaries**  
Cik Salmah Binti Hj Abd Wahab  
Puan Hana Binti Ab Rahim @ Ali

**Shareholders and Proxyholders**  
(As per Annexure 1)

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**OPENING REMARKS**

Dato' Chairman welcomed all the Directors and members of the Company to the Twenty Fifth Annual General Meeting and introduced each and every member of the Board of Directors as well as the Company Secretaries who were in attendance.

**QUORUM**

The Secretary confirmed that in accordance with Article 62 of the Articles of Association of the Company, the quorum for the Annual General Meeting was present.

A total of 135 proxy forms were received representing 3,241,759,178 ordinary shares equivalent to 76.94% of the issued and paid up capital of the Company.

The holders of 793,998,178 ordinary shares equivalent to 18.84% of the issued and paid up capital of the Company have appointed the Chairman of the meeting to be their proxy.

## **PRELIMINARY**

Dato' Chairman briefed the members, corporate representatives and proxies present of their right to speak and vote on the resolutions set out in the Notice of the 25th AGM dated 22 March 2018.

Pursuant to Paragraph 8.29 (A) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions put to the vote at the 25th AGM shall be decided on a poll.

Dato' Chairman further informed that the Company had appointed Tricor Investor & Issuing House Services as the Poll Administrator to conduct the polling process, and Coopers Scrutineers Sdn Bhd as Scrutineers to verify the poll results. The polling process for the resolutions would be conducted upon completion of the deliberation of all resolutions to be transacted at this AGM.

## **NOTICE OF MEETING**

The Chairman proposed that the Notice of the 25th AGM which was circulated together with the Annual report on 22 March 2018, be taken as read and Tuan Hj Mohd Johar Bin Ismail seconded his proposal.

### **1. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017 AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

Dato' Chairman explained that the Audited Financial Statements for the financial year 2017 were for discussion only as it did not require shareholders' approval under the provisions of Section 340(1)(a) of the Companies Act 2016. Hence, it would not be put for voting.

The Chairman invited Dato' Amiruddin Bin Abdul Satar, KPJ's Managing Director & President to present the financial performance of the Group for 2017 which covered the following as per Annexure 2 :-

- a) 2017 Performance
- b) Corporate Activities
- c) 2018 Strategy Focus
- d) Awards 2017
- e) Network Expansions

Dato' Amiruddin also tabled the summary of reply in response to the questions raised by the Minority Shareholder Watchdog Group (MSWG) and Employees Provident Fund (EPF).

Dato' Chairman opened the floor for questions on the Audited Financial Statements for the FY2017 and the Annual Report 2017.

- 1) Mr Loh Seng Hock enquired on the status of KPJUC and whether the professionals that KPJUC is producing and whether they are fully absorbed by the Group.

Dato' Amiruddin informed that as at to-date, there are a total of 2,336 students in various schools where majority of the students are absorbed by KPJ Group.

KPJUC is profitable but not marginal as the main intention of establishing KPJUC is to train professionals in various disciplines.

KPJ is providing less than 5% of its revenue on healthcare tourism.

- 2) Puan Liya Rahman of MSWG queried on the provision of BIK to a Non Executive Director (NED) to which Dato Chairman informed that BIK was provided to an NED for carrying out the duty on behalf of KPJ.

Puan Liya commended KPJ for disclosing the 5 top Managements remuneration in the bands of RM50,000 as not many companies provide the information.

Puan Liya also recommended KPJ to further improve and take note on the Step Up Practice of the MCGG as follows :

- i. Practice 9.4
- ii. Practice 4.3
- iii. Practice 9.3 (2)

AGREED that the amended Constitution is to be posted at KPJ website highlighting the amendments made to the Constitution as compared to the Memorandum & Articles of Association.

- 3) Mr Loh Seng Hock highlighted errors to the Annual Report as follows:

- i. Page 46 – Share Capital to change to Issued Capital
- ii. Page 50 – KPJ Share Price – Market Capitalisation (billion) of 4,153 and 4,381 for YE 2017 and YE 2016 respectively should be 4.153 and 4.381 respectively.

## **2. RE-ELECTION OF DIRECTORS IN ACCORDANCE WITH ARTICLE 96 AND 97 OF THE COMPANY'S ARTICLES OF ASSOCIATION**

Dato' Chairman informed that 4 Directors who retired by rotation in accordance with Article 96 and 97 of the Company's Articles of Association were eligible for re-election. The retiring Directors who offered themselves for re-election under Resolution 1, 2, 3 and 4 respectively were as follows :-

- a) Tan Sri Datin Paduka Siti Sa'diah Sh Bakir – Article 96
- b) Prof Dato' Dr Azizi Bin Hj Omar – Article 96
- c) Mohd Sahir Bin Rahmat – Article 97
- d) Dato' Dr Zaki Morad Bin Mohamad Zaher

Encik Mohamad Sofian Bin Ismail proposed the resolution and seconded by Tuan Hj Mohd Johar Bin Ismail.

## **3. PAYMENT OF DIRECTORS' FEES**

Fees of RM925,000 for the financial ending 31 December 2018 (2017 : RM925,000)

Mr Lee Kian Leong proposed the resolution and seconded by Tuan Hj Mohd Johar Bin Ismail.

**4. PAYMENT OF DIRECTORS' REMUNERATION**

Payment of Directors' Remuneration (excluding Proposed Directors' Fees) to the Non-Executive Directors (NED) for the financial year ending 31 December 2018 and from January 2019 until the conclusion of the next AGM of the Company ("Relevant Period")

Mr Loh Seng Hock proposed the resolution and seconded by Encik Mohamad Sofian Bin Ismail.

**5. APPOINTMENT OF AUDITORS**

Dato' Chairman informed that the Board recommended to the shareholders for approval on the appointment of Messrs PricewaterhouseCoopers as Auditors of the Company for the financial year ending 31 December 2018 and to authorize the Directors to fix their remuneration.

**SPECIAL BUSINESS**

**6. CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS**

Dato' Chairman informed that the following Independent Non Executive Directors who had served the Company for a cumulative term of more than nine (9) years have expressed their intention not to seek for re-appointment and hence will retire at the conclusion of this AGM :-

- a) Zainah Binti Mustafa
- b) Datuk Azzat Bin Kamaludin
- c) Dr Kok Chin Leong

**RESOLVED** that the retirement of Puan Zainah Binti Mustafa, Datuk Azzat Bin Kamaludin and Dr Kok Chin Leong as Independent Non-Executive Directors be hereby accepted.

**7. AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 75 OF THE COMPANIES ACT 2016**

The Chairman informed the members present that the proposed adoption of the resolution was primarily to give flexibility to the Board of Directors to issue and allot shares particularly on the conversion of KPJ Warrants into ordinary shares at the price of RM1.01 per share and the exercise of Employees Share Option Scheme (ESOS) at the price of RM0.91 per share.

The resolution will give the Directors of the Company, authority, from time to time, to issue and allot ordinary shares not exceeding 10% of the issued share capital for the time being of the Company upon such terms as may be determined by the Directors in the best interest of the Company.

The proceeds from this exercise will be used for working capital purposes. The authority given to issue shares will provide flexibility to the Company for any possible fund raising activities including but not limited to further placing of shares, for purpose of funding future investment projects, working capital and/or acquisitions.

Mr Lee Kian Leong proposed the resolution and seconded by Puan Nursheifa Binti Abdullah.

**8. PROPOSED RENEWAL OF THE SHARE BUY-BACK AUTHORITY (“PROPOSED SHARE BUY BACK”)**

The proposed resolution 12 will enable the Company to utilize any of its surplus financial resources to purchase its own shares from the market.

Encik Mohamad Sofian Bin Ismail proposed the resolution and seconded by Mr Loh Seng Hock.

**9. PROPOSED SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED SHAREHOLDERS’ MANDATE”).**

The said resolution is primarily to authorize the Company and its unlisted subsidiaries to enter into arrangements or transactions with related parties, particulars of which are set out in the Circular to shareholders circulated together with the Annual Report, which are necessary for the day-to-day operations of the Group and are based on normal commercial terms that are not more favourable to the related parties than those generally made to the public.

For the resolution, YB Dato’ Kamaruzzaman Bin Abu Kassim, Dato’ Amiruddin Bin Abdul Satar, Tuan Hj Zulkifli bin Ibrahim, Tuan Hj Aminudin bin Dawam and Tuan Hj Mohd Sahir Bin Rahmat (collectively referred to as ‘Interested Directors’) are deemed interested in the proposed shareholders’ mandate by virtue of them being Directors of KPJ nominated by JCorp and persons connected to JCorp by virtue of them being senior management of JCorp.

Accordingly, the interested Directors of KPJ have abstained and will continue to abstain from deliberations and voting in respect of their direct and indirect shareholdings in KPJ on the proposed shareholders’ mandate at this AGM.

In addition, JCorp, being the interested major shareholder of KPJ, abstained from voting in respect of its direct and indirect shareholdings in KPJ on the proposed shareholders’ mandate. JCorp also undertakes that all persons connected with it will abstain from voting in respect of their direct and indirect shareholdings in KPJ.

Mr Loh Seng Hock proposed the resolution and seconded by Tuan Hj Mohd Johar Bin Ismail.

**10. SPECIAL RESOLUTION**

**ADOPTION OF NEW CONSTITUTION**

Encik Mohamad Sofian Bin Ismail proposed the resolution and seconded by Puan Nursheifa Binti Abdullah.

**11. OTHER BUSINESS**

Dato’ Chairman sought confirmation from the Company Secretary whether the Company had received any notice for transaction of other business which had been given in accordance with the Companies Act 2016 and the Company’s Articles of

Association. The Company Secretary confirmed that the Company had not received any notice for transaction of any other business at the Meeting.

Dato' Chairman then informed the members to cast their votes in respect of all the resolutions tabled at this AGM using the i-Pad with the passcode given during registration.

## 12. ANNOUNCEMENT OF POLL RESULTS

At 1.35 p.m., Dato' Chairman called the Meeting to order for the declaration of results. He informed that he had received the poll results from Tricor Investing & Issuing House Services Sdn Bhd and duly verified by Coopers Professional Scrutineers Sdn Bhd.

### i) Re-Election of Directors in accordance with Article 96 and 97 of the Company's Articles of Association (Resolution 1 to 4)

a) Dato' Chairman announced the poll result in respect of **Resolution 1** which was carried as follows :-

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No of Shares	%
Ordinary Resolution 1	3,207,221,926	98.994	32,577,028	1.006	3,239,798,954	100.0

Dato' Chairman declared that **Resolution 1** was duly passed as follows :-

"That Tan Sri Datin Paduka Siti Sa'diah Sh Bakir who retired by rotation in accordance with Article 96 of the Company's Articles of Association, be hereby re-elected as Director.

b) Dato' Chairman announced the poll result in respect of **Resolution 2** which was carried as follows :-

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No of Shares	%
Ordinary Resolution 2	3,087,039,076	95.285	152,759,878	4.715	3,239,798,954	100.0

Dato' Chairman declared that **Resolution 2** was duly passed as follows :-

"That Prof Dato' Dr Azizi Bin Hj Omar who retired by rotation in accordance with Article 96 of the Company's Articles of Association, be hereby re-elected as Director.

c) Dato' Chairman announced the poll result in respect of **Resolution 3** which was carried as follows :-

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No of Shares	%
Ordinary Resolution 3	3,086,927,876	95.281	152,871,078	4.719	3,239,798,954	100.0

Dato' Chairman declared that **Resolution 3** was duly passed as follows :-

"That Mohd Sahir Bin Rahmat who retired by rotation in accordance with Article 97 of the Company's Articles of Association, be hereby re-elected as Director.

d) Dato' Chairman announced the poll result in respect of **Resolution 4** which was carried as follows :-

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No of Shares	%
Ordinary Resolution 4	3,087,039,076	95.285	152,759,878	4.715	3,239,798,954	100.0

Dato' Chairman declared that Resolution 4 was duly passed as follows :-

"That Dato' Dr Zaki Morad Bin Mohamad Zaher who retired by rotation in accordance with Article 97 of the Company's Articles of Association, be hereby re-elected as Director.

#### ii) Payment of Directors' Fee

Dato' Chairman announced the poll result in respect of **Resolution 5(a)** which was carried as follows :-

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No of Shares	%
Ordinary Resolution 5	2,358,412,626	81.106	549,416,680	18.894	2,907,829,306	100.0

Dato' Chairman declared that Resolution 5 was duly passed as follows :-

"That fees of RM925,000 for the financial year ending 31 December 2018 be hereby approved.

#### iii) Payment of Directors' Remuneration

Dato' Chairman announced the poll result in respect of **Resolution 6** which was carried as follows :-

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No of Shares	%
Ordinary Resolution 6	2,891,714,378	99.446	16,114,928	0.554	2,907,829,306	100.0

Dato' Chairman declared that Resolution 6 was duly passed as follows :-

"That the remuneration (excluding Directors' fees) of RM920,000 for the financial year ending 31 December 2018 and from January 2019 until the conclusion of the next AGM of the Company ("Relevant Period") be hereby approved".

#### iv) Appointment of Auditors

Dato' Chairman announced the poll result in respect of **Resolution 7** which was carried as follows :-

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No of Shares	%
Ordinary Resolution 7	3,249,259,122	99.893	3,470,832	0.107	3,081,329,554	100.0

Dato' Chairman declared that Resolution 6 was duly passed as follows :-

"That the appointment of Messrs PricewaterhouseCoopers as Auditors of the Company for the financial year ending 31 December 2018 and authorization to the Directors to fix their remuneration be hereby approved."

**Special Business**

**1) Authority to Issue and Allot Shares Pursuant to Section 75 of the Companies Act, 2016**

Dato' Chairman announced the poll result in respect of **Resolution 11** which was carried as follows :-

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No of Shares	%
Ordinary Resolution 11	3,032,725,362	98.423	48,604,192	1.577	3,081,329,554	100.0

Dato' Chairman declared that Resolution 11 was duly passed as follows :-

"**THAT** pursuant to Section 75 of the Companies Act, 2016 ("Act"), and approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, from time to time, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10 percent (10%) of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Securities and that such authority shall continue in force until the conclusion of the next AGM of the Company."

**2) Proposed Renewal of the Share Buy-Back Authority (Proposed Share Buy-Back)**

Dato' Chairman announced the poll result in respect of **Resolution 12** which was carried as follows :-

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No of Shares	%
Ordinary Resolution 12	3,252,729,954	100.0	0	0	3,252,729,954	100.0

Dato' Chairman declared that Resolution 12 was duly passed as follows :-

"**THAT**, subject to Section 127 of the Act, the provisions of the Listing Requirements of the Bursa Securities and all other applicable laws, rules, regulations and guidelines for the time being in force, the Directors of the Company be and are hereby authorised, to make purchase(s) of ordinary shares in the Company on Bursa Securities subject to the following:-

- (a) The maximum number of shares which may be purchased and/or held by the Company shall not exceed ten percent (10%) of the total number of issued shares of the Company for the time being subject to the restriction that the issued capital of the Company does not fall below the applicable minimum share capital requirement of the Listing Requirements;



- (b) The maximum fund to be allocated by the Company for the purpose of purchasing its shares shall not exceed the retained profits of the Company; and
- (c) Upon completion of the purchase by the Company of its own shares, the Directors of the Company are authorised to deal with the shares so bought-back in their absolute discretion in any of the following manner:-
  - (i) cancel the shares so purchased; or
  - (ii) retain the shares so purchased as treasury shares and held by the Company; or
  - (iii) retain part of the shares so purchased as treasury shares and cancel the remainder; or,
  - (iv) distribute the treasury shares as dividends to shareholders and/or resell on Bursa Securities and/or cancel all or part of them; or
  - (v) transfer all or part of the treasury shares for purposes of an employees' share scheme, and/or as purchase consideration; or

in any other manner as prescribed by the Act, rules, regulations and guidelines pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force;

**AND THAT** the authority conferred by this resolution shall continue to be in force until:-

- (a) the conclusion of the next AGM of the Company at which such resolution was passed, at which time the authority will lapse unless renewed by ordinary resolution passed at the AGM either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM is required by law to be held; or
- (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the Listing Requirements of Bursa Securities or any other relevant authorities.

**AND THAT** the Directors of the Company be and are authorised to take all such steps to implement, finalise and give full effect to the Proposed Share Buy-Back with full power to assent to any conditions, modifications, revaluations and/or amendments as may be imposed by the relevant authorities and with full power to do all such acts and things thereafter in accordance with the Act, the Listing Requirements and the guidelines issued by Bursa Securities and any other relevant authorities."

**3) Proposed Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature ("Proposed Shareholders' Mandate").**

Dato' Chairman announced the poll result in respect of **Resolution 13** which was carried as follows :-

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No of Shares	%
Ordinary Resolution 13	1,392,255,646	99.995	65,200	0.005	1,392,320,846	100.0

Dato' Chairman declared that Resolution 13 was duly passed as follows :-

"**THAT** subject always to the provisions of the Act, the Listing Requirements or other regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries, to enter into and give effect to the Recurrent Related Party Transactions of a Revenue or Trading nature, all with the particulars of which are set out in Part B of the Circular to Shareholders dated 22 March 2018 ("Circular") with the Related Parties as described in the Circular, provided that such transactions are:-

- (a) recurrent transactions of a revenue or trading nature;
- (b) necessary for the day-to-day operations of the Company and/or its subsidiaries;
- (c) carried out in the ordinary course of business of the Company and/or its subsidiaries, made on an arm's length basis and on normal commercial terms not more favourable to the Related Parties than those generally available to the public; and
- (d) not detrimental to the minority shareholders of the Company;

**AND THAT** such authority shall continue to be in force until :-

- (a) the conclusion of the next AGM of the Company following this AGM, at which time the authority will lapse unless by a resolution passed at the AGM, such authority is renewed; or
- (b) the expiration of the period within which the next AGM after the date that is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders of the Company at a general meeting;

whichever is earlier;

**AND THAT** the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or give effect to the Proposed Shareholders' Mandate."

#### 4) Proposed Adoption of New Constitution

Dato' Chairman announced the poll result in respect of **Resolution 14** which was carried as follows :-

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No of Shares	%
Ordinary Resolution 1	3,252,729,954	100.0	0	0	3,252,729,954	100.0

Dato' Chairman declared that Resolution 14 was duly passed as follows :-

**"THAT** approval be and is hereby given to adopt the new Constitution of the Company in place of the existing Memorandum and Articles of Association of the Company with immediate effect."

### **13. CLOSE OF MEETING**

There being no further questions, the Chairman in concluding the meeting, expressed on behalf of the Company, his heartfelt appreciation to the retired Directors namely to Puan Zainah Binti Mustafa, Datuk Azzat Bin Kamaludin and Dr Kok Chin Leong for their utmost contributions during their tenure of office as Directors of the Company.

Dato' Chairman informed that Puan Zainah Binti Mustafa and Datuk Azzat Bin Kamaludin, were the pioneer Directors appointed prior to KPJ being listed on the Main Market of Bursa Malaysia in 1994 while Dr Kok Chin Leong was appointed to the Board in 2005. All the 3 Directors have served as Independent Non Executive Directors ("INED") for a cumulative period of more than 9 years.

KPJ would still like to retain them as Directors, but as advocated in Practice 4.2 of the MCGG, where the tenure of Independent Directors not to exceed a cumulative term limit of 9 years, KPJ concurred and accepted their intention not to continue their service as INED of the Company.

Further to that, Dato' Chairman introduced new Directors who will appointed and announced at Bursa Malaysia on 24 April 2018 as follows :-

- 1) 3 New INEDs  
Dato' Muthanna Bin Abdullah  
Dato' Dr Bajit Kaur a/p Teja Singh  
Ms Christina Foo
- 2) Executive Director  
Puan Jasimah Binti Hassan

Dato' Chairman also proposed a vote of thanks to the Management, all employees of the Group for their effort and dedication in the past year and to the stakeholders especially to the shareholders and customers for their continued support.

The meeting ended at 1.45 p.m. with a vote of thanks to the Chair.

Confirmed on 28<sup>th</sup> May 2018

Confirmed by,



.....  
**(DATO' KAMARUZZAMAN BIN ABU KASSIM)**  
*Chairman*

Prepared by,



.....  
**(SALMAH BINTI HJ ABD WAHAB)**  
*Secretary*

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