

KPJ HEALTHCARE BERHAD

Registration No. 199201015575 (247079-M)

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF KPJ HEALTHCARE BERHAD (“KPJHB” OR THE “COMPANY”) HELD VIRTUALLY AT THE ANUGERAH HALL, LEVEL 14, KPJ AMPANG PUTERI SPECIALIST HOSPITAL, NO. 1, JALAN MEMANDA 9, TAMAN DATO’ AHMAD RAZALI, 68000 AMPANG, SELANGOR AS THE BROADCAST VENUE AND VIA TIIH ONLINE WEBSITE AT [HTTPS://TIIH.ONLINE](https://tiih.online) OR [HTTPS://TIIH.COM.MY](https://tiih.com.my) (DOMAIN REGISTRATION NUMBER WITH MYNIC: D1A282781 ON TUESDAY, 22 AUGUST 2023 AT 3.00 P.M.

DIRECTORS	:	YBhg. Datuk Md Arif Bin Mahmood (Chairman) (Non-Independent Non-Executive Director) YBhg. Dato’ Mohd Redza Shah Bin Abdul Wahid (Senior Independent Non-Executive Director) Encik Mohamed Ridza Bin Mohamed Abdulla (Independent Non-Executive Director) Encik Khairuddin Bin Jaflus (Independent Non-Executive Director) Encik Hisham Zainal Mokhtar (Independent Non-Executive Director) Ms. Lee Lai Fan (Independent Non-Executive Director) Encik Rozaini Mohd Sani (Online) (Non-Independent Non-Executive Director) YBhg. Prof Dato’ Dr Azizi Haji Omar (Non-Independent Non-Executive Director) Puan Annie Rosle (Non-Independent Non-Executive Director)
SENIOR MANAGEMENT	:	Puan Norhaizam Mohammad (Officer in Charge/ Chief Financial Officer) YBhg. Dato’ Mohamad Farid Bin Salim (Chief Operating Officer)
SHAREHOLDERS & PROXIES	:	As per Attendance List
COMPANY SECRETARY	:	Puan Hana Binti Ab Rahim
INDEPENDENT MODERATOR (BY INVITATION)	:	Mr. Louis Lim – Independent Moderator, Tricor Business Intelligence & Solutions Sdn. Bhd.
OTHERS (BY INVITATION)	:	Encik Johan Hashim – Principal Adviser, Affin Hwang Investment Bank Berhad Encik Hassanuddin Bin Amirudin – Independent Adviser, BDO Capital Consultants Sdn. Bhd. Mr. G Parem Sivam – Independent Valuer, Cheston International (KL) Sdn. Bhd. Ms. Keh Ching Tyng – For Secretary Puan Nur Aini Binti Saharudin – For Secretary Cik Ungku Nur Akmal Binti Ungku Kamarzaman – For Secretary

1. CHAIRMAN’S WELCOME ADDRESS

- 1.1 Datuk Md Arif Bin Mahmood (hereinafter referred to as “**Datuk Chairman**”) extended a warm welcome to the shareholders, proxies and authorised representatives attending the Extraordinary General Meeting (“**EGM**” or “**Meeting**”) of KPJHB.

2. MODE OF CONDUCT FOR THE EGM

- 2.1 Datuk Chairman briefed all participants that the virtual EGM would be conducted using the remote participation and voting facilities of TIIH Online, Malaysia website. The Directors, senior management, advisers, poll administrators, scrutineer and independent moderator are present at the broadcast venue at the Anugerah Hall, Level 14, KPJ Ampang Puteri Specialist Hospital, Selangor.
- 2.2 Datuk Chairman highlighted that the virtual EGM is recorded by the Company for the Company's reference and safe-keeping. He further directed that all shareholders, proxies and participants of the EGM are not permitted to take any images, audio or visual recording or reproduction in any form of the proceedings of the EGM.
- 2.3 Datuk Chairman went on to introduce the Board of Directors, Company Secretary, senior management and others who are present at the broadcast venue.

3. QUORUM OF MEETING

- 3.1 Following a confirmation from the Company Secretary that there was a quorum present at the Meeting in accordance with Rule 61.1 of the Company's Constitution, Datuk Chairman declared the EGM duly constituted.

4. NOTICE OF MEETING

- 4.1 Datuk Chairman informed that the Notice of the EGM setting out the agenda and the text of the proposed resolution has been sent to all shareholders of the Company and published on the Company's website on 31 July 2023, together with the Circular to Shareholders in relation to the Proposed Lease Renewal. As the Notice convening the EGM was circulated to the shareholders within the prescribed period, the Notice convening the EGM was taken as read.

5. SUMMARY REPORT ON PROXY FORMS RECEIVED

- 5.1 Datuk Chairman called upon the Company Secretary to proceed with the briefing on the voting information.
- 5.2 Accordingly, the Company Secretary reported that the Company had received 239 valid proxies representing 73.79% of the total number of issued shares of the Company.
- 5.3 The Company Secretary also reported that the holders of 705,595,783 ordinary shares, equivalent to 16.17% of the total number of issued shares of the Company have appointed the Chairman of the Meeting to be their proxy.

6. POLL VOTING & GUIDANCE ON POLL VOTING, INTRODUCING THE POLL ADMINISTRATOR AND SCRUTINEER

- 6.1 Datuk Chairman informed the shareholders, proxies and duly authorised representatives present that all resolutions as set out in the Notice of the EGM would be put to vote by poll, via the TIIH Online platform.
- 6.2 The meeting was informed that the Online poll voting has opened since 3.00 p.m., and the Shareholders/Proxies may cast their votes anytime from 3.00 p.m. until the announcement of the closure of the voting session.
- 6.3 The Shareholders were also informed that the Company has appointed Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") as the Poll Administrator and Scrutineer Solutions Sdn. Bhd. as the Independent Scrutineer to verify the poll results.
- 6.4 A video on the remote polling procedure via TIIH Online was then played to guide the shareholders on the voting procedures.

7. PRESENTATION BY ADVISERS

- 7.1 Datuk Chairman then invited Encik Johan Hashim, the Principal Adviser from Affin Hwang Investment Bank Berhad followed by Encik Hasanuddin, the independent Adviser from BDO Capital Consultants Sdn Bhd to give a brief presentation on the Proposed Lease Renewal.
- 7.2 Encik Johan Hashim, the Principal Adviser provided an overview of the transaction encompassing among others, the following:-
- Background of the Proposed Lease Renewal;
 - Details of the Proposed Lease Renewal;
 - Basis and justification for the Rental Rate;
 - Financial effects of the Proposed Lease Renewal; and
 - Tentative timeline.
- 7.3 Encik Hasanuddin Bin Amirudin, the Independent Adviser from BDO Capital Consultants Sdn Bhd, then presented the Independent Adviser's view on the Proposed Lease Renewal that included the following:-
- Key evaluation criteria of the Proposed Lease Renewal;
 - Basis and justification for the Rental Rate;
 - Evaluation of the salient terms of the Lease Agreements; and
 - Effects of the Proposed Lease Renewal.
- 7.4 Datuk Chairman thanked the advisers for their presentation.

8. ORDINARY RESOLUTION 1 PROPOSED LEASE RENEWAL OF PROPERTIES BETWEEN THE SUBSIDIARIES OF KPJHB, AMANAHRAYA TRUSTEES BERHAD (FOR AND BEHALF OF AL-AQAR HEALTHCARE REIT AS THE LESSOR) AND DAMANSARA REIT MANAGERS SDN BHD

- 8.1 As Datuk Chairman is deemed interested in the agenda, he handed the Chair to Encik Hisham, an independent director who has no interest in the Proposed Lease Renewal.
- 8.2 Encik Hisham briefed the Meeting on the Proposed Lease Renewal of Properties between Subsidiaries of KPJHB, Amanahraya Trustees Berhad (for and behalf of Al-Aqar Healthcare REIT as the lessor) and Damansara REIT Managers Sdn Berhad.
- 8.3 The details of the Proposed Ordinary Resolution 1 were outlined in the Notice of EGM in the Circular dated 31 July 2023 ("**Circular to Shareholders**"). As the Circular to Shareholders has been circulated to all shareholders, it was taken as read.
- 8.4 Encik Hisham highlighted that YBhg Datuk Md Arif bin Mahmood, YBhg Dato' Mohd Redza Shah bin Abdul Wahid, Encik Rozaini bin Mohd Sani, Encik Shamsul Anuar bin Abdul Majid and Encik Mohamed Ridza Mohamed Abdulla, being the Interested Directors have abstained and/or will continue to abstain from deliberating and voting on the Proposed Lease Renewal. Johor Corporation ("**JCorp**"), being the Interested Major Shareholder and the persons connected to them and the interested Directors shall also abstain from deliberating and voting on the resolution on the Proposed Lease Renewal.
- 8.5 Encik Hisham proceeded to put the motion of the Proposed Ordinary Resolution 1 to the meeting for consideration.
- 8.6 He then handed the Chair back to Datuk Chairman.
- ## 9. QUESTIONS AND ANSWERS SESSION
- 9.1 Datuk Chairman opened the Question and Answer ("**Q&A**") session to the floor. He remarked that the Board and Management will attempt to answer as many live questions received as possible.

- 9.2 Datuk Chairman informed that the Company has appointed Tricor Business Intelligence and Solutions Sdn Bhd (“**Tricor BIS**”) as the independent moderator to provide objectivity and independence in streaming the questions received. The shareholders were informed that the Company would only take questions that were relevant to the Proposed Lease Renewal.
- 9.3 Datuk Chairman added that any questions posed that remained unanswered would be responded to and subsequently published on the Company’s website within 30 business days from the EGM’s conclusion.
- 9.4 As there were no questions received pertaining to the Proposed Lease Renewal prior to the EGM, Datuk Chairman invited Tricor BIS to read the live questions received.
- 9.5 Mr. Louis Lim, the independent moderator from Tricor BIS reported that no questions related to the Proposed Lease Renewal were received during the EGM.
- 9.6 There being no questions received pertaining to the Proposed Lease Renewal, Datuk Chairman concluded the live Q&A session and informed that any questions that have not been addressed will be posted on the Company’s website within 30 business days after the EGM.

10. POLL VOTING SESSION

- 10.1 At 3.37 p.m., Datuk Chairman reminded shareholders to vote as the voting session would continue for another 5 minutes.
- 10.2 At 3.42 p.m., Datuk Chairman announced that the voting session for the EGM has ended.
- 10.3 The Meeting was adjourned to facilitate the voting process.

11. ANNOUNCEMENT OF POLL RESULTS

- 11.1 Datuk Chairman called the Meeting to order at 3.53 p.m.
- 11.2 Before the announcement of the poll results, Datuk Chairman informed that the Company received questions from the shareholders regarding door gifts and vouchers for attendees of the EGM. He informed that the Company will be providing health screening vouchers to be redeemed at any KPJ hospital to all the attendees of the EGM.
- 11.3 Datuk Chairman then proceeded with the declaration of the poll results which has been verified by the Independent Scrutineers. He declared the resolution that had been put to the Meeting was duly carried. The results of the poll are set out below:

Resolution	For		Against		Total	
	No. of Shares	%	No. of Shares	%	No. or Shares	%
Ordinary Resolution 1	1,257,520,924	99.9928	90,423	0.0072	1,257,611,347	100

12. CLOSURE OF MEETING

- 12.1 With the announcement of the poll results, Datuk Chairman declared that the EGM proceedings came to an end. Datuk Chairman recorded his appreciation to the Board, Management, KPJ staff, advisers and shareholders for their attendance, participation and continuous support to the Company. On this note, Datuk Chairman declared the EGM proceedings closed.

The meeting ended at 3.55 p.m.

13. UNANSWERED QUESTIONS RECEIVED AFTER THE CLOSURE OF THE QUESTION & ANSWER SESSION

13.1 The following questions were received after the closure of the Question & Answer session, prior to the end of the EGM. As such, the questions that remained unanswered during the EGM is produced below with written responses.

Question 1: I would like to ask about the company's plan on medical tourism, especially from China. Have we seen the Chinese coming to Malaysia to seek medical treatment post-pandemic era? There are some reports that the Chinese are not travelling or spending as of now.

Response:

The growth of health tourism within the Chinese market has experienced a slowdown in comparison to the pre-pandemic period due to the restricted availability of international flights. Furthermore, economic considerations and the Chinese population's confidence in international travel still remain subdued as a consequence of the pandemic that impacted the country towards the end of 2019. However, we expect a gradual recovery over time in line with the positive recovery progress of COVID-19 worldwide.

Question 2: KPJ Healthcare at its AGM said it expected the demand recovery pace to accelerate and is planning to double its bed capacity at KPJ Damansara 2. What is the update?

Response:

Damansara Specialist Hospital 2 ("DSH2") is scheduled to double its bed capacity by year end. We expect to receive official licensing for an additional 63 beds by the 4th Quarter. In total, DSH2 will have 123 licensed beds by year end.

Question 3: Could the management share about the efforts to attract patients from the Middle East and Indochina, how successful is it? Will this be translated to quarterly earnings? How much can we see the increase/decrease in terms of percentage or number of patients for 2Q and 3Q?

Response:

Indo-China has the potential for rapid growth due to its strategic location and a number of factors that encourage them to seek treatment in Malaysia. These factors include low healthcare costs, cutting-edge technology, experienced specialists and more.

The Middle Eastern market is viewed as one of the potential secondary markets to be explored in the long term, competing with Thailand, Turkey, and several other Western countries. Malaysia is a potential contender in the Middle Eastern market due to its low costs and the reputation of its healthcare facilities.

Recently, we have seen both the Middle East and Indo-China markets demonstrating significant patient volume growth over the second and third quarter this year.

Confirmed on 2 October 2023

Confirmed by



.....
(DATUK MD ARIF BIN MAHMOOD)
Chairman

Prepared by.



.....
(HANA BINTI AB RAHIM)
Company Secretary