

LYC HEALTHCARE BERHAD
Registration No. 200401009170 (647673-A)

MINUTES OF THE TWENTIETH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT DEWAN BERJAYA, BUKIT KIARA EQUESTRIAN & COUNTRY RESORT, JALAN BUKIT KIARA, OFF JALAN DAMANSARA, 60000 KUALA LUMPUR ON FRIDAY, 27 SEPTEMBER 2024 AT 10.00 A.M.

PRESENT:-

DIRECTORS

Mohd Khasan bin Ahmad (*Independent Non-Executive Director*)
Sui Diong Hoe (*Managing Director cum Group Chief Executive Officer*)
Dato' Muraly Daran A/L M Narayana Menon (*Independent Non-Executive Director*)
Ms Poh Zuan Yin (*Independent Non-Executive Director*)

IN ATTENDANCE

Ms Tai Yuen Ling – Company Secretary

BY INVITATION

As Per Attendance List

The list of shareholders and proxies who attended the Meeting is set out in the Attendance Lists attached and shall form an integral part of this Minutes.

1. CHAIRMAN

Encik Mohd Khasan bin Ahmad informed the Meeting that Dato' Seri Abdul Azim bin Mohd Zabidi has sent his apologies for not being able to attend this Meeting as he was overseas. Encik Mohd Khasan bin Ahmad (“the Chairman”) further informed that with the consent of the Board, he would be acting as the Chairman of the Meeting pursuant to Clause 72 of the Constitution, and extended a warm welcome to the shareholders, proxies and invitees present at the Company’s Twentieth Annual General Meeting (“20th AGM”). The Chairman then introduced the Board of Directors, Company Secretary, and the representatives of the External Auditors to the shareholders.

2. NOTICE

With the consent of the members present, the Notice convening the Meeting having been circulated for the prescribed period was taken as read. The Chairman then proceeded with the business of the AGM.

3. QUORUM AND SUMMARY OF PROXIES RECEIVED

As part of good governance, the Chairman informed that the Company had received in total fourteen (14) proxy forms from shareholders for a total of Three Hundred Thirty-Seven Million Six Hundred Fifty-One Thousand and Three Hundred (337,651,300) ordinary shares representing 47.23% of the total share capital of the Company.

There were seven (7) shareholders who have appointed the Chairman of the Meeting as proxy to vote on their behalf and the shares so represented stood at Three Hundred Twenty-Seven Million Five Hundred Thirty-Four Thousand and Five Hundred (327,534,500) which represent 45.81% of the total issued share capital of the Company.

The Company Secretary confirmed that a quorum was present. With the requisite quorum being present, the Meeting was called to order at 10.00 a.m.

The Chairman encouraged the members and/or proxies present to participate at the AGM. The Chairman had also demanded for a poll to be taken on all the resolutions pursuant to the Company's Constitution in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Chairman further informed that the polling process would be conducted after the deliberation of all items on the Agenda.

The Chairman also informed that the Company has appointed Boardroom Share Registrars Sdn Bhd as the poll administrators to conduct the polling process and Sky Corporate Services Sdn Bhd as the Independent Scrutineer to validate the votes cast at this Meeting.

4. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 TOGETHER WITH THE REPORTS OF THE DIRECTORS' AND AUDITORS' THEREON

The Chairman informed that the Audited Financial Statements for the financial year ended 31 March 2024 was meant for discussion only as the provision of Section 340 of the Companies Act 2016 does not require a formal approval of shareholders, hence the Agenda will not be put for voting.

The Chairman invited questions from the floor and queries in relation to the following issues were duly responded by the Managing Director (“MD”) :-

- Clarification on Healthcare Sector Revenue Increase

The shareholder noted an increase in healthcare sector revenue from RM88.5 million in 2023 to RM127 million in 2024 and requested an explanation of the revenue sources. MD explained that the increase was attributed to the acquisition of the Dental Group, growth in existing business operations, and expansion in food supplements and health medical services.

- Future Expansion Plans

The shareholder inquired about the Company’s future expansion plans. The MD responded that currently there are no plans for acquisitions as the Company is focusing on consolidating its existing business. However, the new venture into a prostate centre, which has been announced earlier and is a very attractive business opportunity.

- Expansion Plans for Existing Business

The shareholder inquired about the areas of expansion within the existing business. MD stated that there are no plans to expand the confinement business. Instead, The Management will likely invest in medical services in Singapore and aim to grow the food supplements segment.

- Revenue Distribution and Potential Expansion to Another Countries

The shareholder queried about the revenue between Malaysia and Singapore and whether there are plans to expand into other countries. The MD estimated that Singapore contributes approximately 35% of the revenue, while Malaysia accounts for about 65%. Currently, there are no immediate plans to expand into other countries, but the Company remains open to opportunities for international expansion in the future.

- Consideration for Acquiring Remaining Share in Aqurate Ingredients International (M) Sdn Bhd (“Aqurate”)

The shareholder highlighted that Aqurate is the strongest and most profitable business within the LYC Group in Malaysia and inquired about acquiring the remaining 30% equity interest of Aqurate. The MD replied that currently there are no plans for further acquisition due to financial constraints and the need to avoid additional debt and high interest costs. The Company’s focus shall remain on consolidating the business, reducing loans, and saving on interest expenses. However, the Board will consider the acquisition after the Company’s financial conditions improved.

- Succession Plan for Newly Acquired Subsidiary

The shareholder expressed concern about the majority of revenue coming from a recently acquired subsidiary and questioned the effectiveness of the Company's succession plan. The MD responded that their first intention after the acquisition was to implement a succession plan to address potential departures. The Management confirmed that succession plans are in place not only for the food supplements business but also for the medical centre in Singapore.

- Concerns About Confinement Business and Company's Future

The shareholder expressed concerns about ongoing losses and declining operational cash flow, questioning the future of the Company, particularly the confinement business. They noted the lack of barriers to entry and potential over-saturation in the postpartum business and asked if the confinement business is regulated by the government. The MD explained that the confinement business now contributes less than 15% of total revenue, despite being the largest confinement business in Malaysia. They acknowledged the increase in competition but highlighted their role in popularizing the sector. The MD also mentioned that the government is considering setting regulations, which could lead to the closure of many centres, and affirmed that the confinement business remains attractive in the future.

- Consideration of Retirement Home Business

The shareholder inquired about the retirement home business. The MD responded that the Company operated a retirement home previously but faced high competition and stringent licensing processes, which took almost two years for setting up the business. Despite the challenges, the MD indicated that the retirement home business could be a future focus to the Group.

- Status of Proposed Listing in Singapore

The shareholder inquired about the updates related to the proposed listing in Singapore. The MD responded that although the listing had been approved by the Singapore authorities, the Management decided to abandon it as it was not viable in view of the prevailing market conditions in the Singapore equity market.

- Costs and Future Plans Following Failure of Listing in Singapore

The shareholder inquired about the expenses incurred on the listing in Singapore and the Group's future plans after two unsuccessful listing exercises. The MD responded that approximately RM4.5 million was spent over two years. The Board decided to withdraw from the SGX listing despite approval due to unfavourable equity market conditions in Singapore, making it difficult to further raise funds and expand. Additionally, changes in the Companies Act in Singapore have complicated privatization efforts, leading to the Board's decision to abandon the

listing. The Board is currently exploring alternative strategies and will provide updates when appropriate.

- Future Funding and Private Placement Plans

The shareholder expressed concerns about the Company's future funding, following the failure to list in Singapore and the current business performance and asked if the Company has any plan to issue private placements. The MD replied that there are no plans for private placements at this juncture.

After addressing the questions from the floor, the Chairman declared that the Audited Financial Statements of the Company for the financial year ended 31 March 2024 is deemed tabled and received by the shareholders.

Thereafter, the Chairman went through each of the motions set out in the Notice of Meeting.

5. ORDINARY RESOLUTION 1

DIRECTORS' FEES AND BENEFIT PAYABLE TO THE DIRECTORS

The Chairman informed that the first resolution on the Agenda was to approve the payment of Directors' Fees and benefits payable to the Directors of the Company up to RM750,000 from 28 September 2024 until the conclusion of the next AGM to be held in 2025.

Thereafter, the Chairman put the Ordinary Resolution 1 on the Directors' Fees and benefits payable to the Directors to be voted by poll.

6. ORDINARY RESOLUTION 2

RE-ELECTION OF DIRECTOR – DATO' SERI ABDUL AZIM BIN MOHD ZABIDI

The Chairman informed that the second resolution on the Agenda was on the re-election of Dato' Seri Abdul Azim Bin Mohd Zabidi as a Director of the Company pursuant to Clause 104(1) of the Company's Constitution and being eligible, has offered himself for re-election.

Thereafter, the Chairman put the Ordinary Resolution 2 on the re-election of Dato' Seri Abdul Azim Bin Mohd Zabidi as a Director of the Company to be voted by poll.

7. ORDINARY RESOLUTION 3

RE-ELECTION OF DIRECTOR – MR SUI DIONG HOE

The Chairman informed that the third resolution on the Agenda was on the re-election of Mr Sui Diong Hoe as a Director of the Company pursuant to Clause 104(1) of the Company's Constitution and being eligible, has offered himself for re-election.

Thereafter, the Ordinary Resolution 3 on the re-election of Mr Sui Diong Hoe as a Director of the Company was put to be voted by poll.

8. ORDINARY RESOLUTION 4

RE-APPOINTMENT OF AUDITORS

The Chairman informed that the fourth resolution on the Agenda was on the re-appointment of Auditors. The retiring Auditors, Messrs Baker Tilly Monteiro Heng PLT were eligible for re-appointment. Under Section 264(5) of the Companies Act 2016, Messrs Baker Tilly Monteiro Heng PLT had signified their consent to continue to act as Auditors.

Thereafter, the Chairman put the Ordinary Resolution 4 on the re-appointment of Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company to be voted by poll.

9. SPECIAL BUSINESS
ORDINARY RESOLUTION 5

AUTHORITY UNDER SECTION 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT SHARES OR GRANT RIGHTS

Having concluded the ordinary business of the 20th AGM, the Chairman informed that the Agenda on Ordinary Resolution 5 was to seek Shareholders' approval for the Directors to allot and issue additional shares, if the need arises, up to a maximum of ten percent (10%) of the total number of issued shares of the Company. The Chairman explained that such authority was to give the Board a certain amount of flexibility to allot and issue additional shares, if the need arises, subject to approval of all relevant regulatory bodies being obtained, where necessary.

The Chairman further informed that pursuant to Section 85 of the Companies Act 2016, read together with Clause 9 of the Constitution of the Company, the Company also sought the shareholders' approval to waive the statutory pre-emptive rights of the

shareholders of the Company to be offered new shares ranking equally to the existing issued Company's shares arising from any issuance of new shares pursuant to Section 76 of the Companies Act 2016.

Thereafter, the Chairman put the Ordinary Resolution 5 on the authority under Section 76 of the Companies Act 2016 for the Directors to allot shares or grant rights to be voted by poll.

10. POLL PROCEDURE

After going through all the motions set out in the Notice of the Meeting, the Chairman briefed the floor on the polling procedures and directed the shareholders and proxies to cast their votes, wherein the shareholders and proxies present were then given time to do so.

The Chairman informed that the outcome of the poll would be announced after a 20-minute break as it would take some time for the scrutineer to tabulate and validate the results of the poll. The Meeting was then adjourned at 10.45 a.m. for the votes to be counted and to enable the scrutineer to present their report to the Chairman.

11. POLL RESULTS

The Meeting was called to order and resumed at 11.10 a.m., and after obtaining the report from the scrutineer, the Chairman announced the results of the poll as follows:-

Resolution	Votes For		Votes Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1 Directors' Fees and Benefits Payable to Directors of the Company	300,759,901	99.8762	372,705	0.1238
Ordinary Resolution 2 Re-election of Dato' Seri Abdul Azim Bin Mohd Zabidi	338,115,206	99.9949	17,400	0.0051
Ordinary Resolution 3 Re-election of Mr Sui Diong Hoe	301,115,206	99.9942	17,400	0.0058

Ordinary Resolution 4 Re-appointment of Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company	338,115,206	99.9949	17,400	0.0051
Ordinary Resolution 5 Authority under Section 76 to Allot Shares	337,760,206	99.8899	372,400	0.1101

Based on the results of the poll voting, the Chair declared the following resolutions as **CARRIED** and **RESOLVED**:-

ORDINARY RESOLUTION 1

“That the payment of Directors’ Fees and benefits payable to the Directors of up to RM750,000 from 28 September 2024 until the conclusion of the next Annual General Meeting to be held in 2025 be and is hereby approved.”

ORDINARY RESOLUTION 2

“That Dato’ Seri Abdul Azim Bin Mohd Zabidi be and is hereby re-elected as Director of the Company.”

ORDINARY RESOLUTION 3

“That Mr Sui Diong Hoe be and is hereby re-elected as Director of the Company.”

ORDINARY RESOLUTION 4

“That the retiring Auditors, Messrs Baker Tilly Monteiro Heng PLT having signified their consent to act, be hereby re-appointed as Auditors at a fee to be fixed by the Directors.”

ORDINARY RESOLUTION 5

“THAT pursuant to Section 76 of the Act, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next AGM and 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 to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issuance.

THAT in connection with the above, pursuant to Section 85 and Clause 9 of the Constitution of the Company, the shareholders do hereby waive the statutory preemptive rights of the offered shares in proportion of their holdings at such price and at such terms to be offered arising from any issuance of new shares above by the Company.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares.”

12. CONCLUSION

There being no other matters to be discussed, the Meeting concluded at 11.15 a.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

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CHAIRMAN