ISEC HEALTHCARE LTD.
(Company Registration No. 201400185H)
(Incorporated in Singapore)
(the "**Company**")

MINUTES OF EXTRAORDINARY GENERAL MEETING

PLACE	:	Hotel Royal, 36 Newton Road, Singapore 307964
DATE	:	Friday, 19 April 2024
TIME	:	10.55 a.m.
PRESENT	:	As set out in the attendance records maintained by the Company
CHAIRMAN	:	Mr Chong Weng Hoe

Unless otherwise defined, all capitalised terms shall bear the same meanings as ascribed to them in the Company's circular dated 28 March 2024.

QUORUM AND INTRODUCTION

The Chairman called the Extraordinary General Meeting ("**EGM**" or "**Meeting**") to order at 10.55 a.m. As a quorum was present, the Chairman declared the Meeting open.

NOTICE OF MEETING

The Chairman took the Notice of EGM issued on 28 March 2024 as read.

APPOINTING CHAIRMAN OF MEETING AS PROXY AND POLL VOTING

The Chairman informed the Meeting that he had been appointed by some shareholders as proxy and would be voting in accordance with their instructions.

He informed the shareholders that in compliance with the listing rules of the Singapore Exchange Securities Trading Limited and Article 85(a) of the Company's Constitution, the voting of all proposed resolutions will be by poll. He accordingly directed that polling be conducted using a wireless handheld device.

Agile 8 Advisory Pte. Ltd. and Boardroom Corporate & Advisory Services Pte. Ltd. were appointed as Scrutineer and Polling Agent respectively for the purpose of the poll.

SUBMISSION OF QUESTIONS

The Chairman informed the Meeting that there were no questions received from shareholders in advance of the Meeting.

The Chairman further informed the shareholders that they were allowed to raise questions after the relevant resolutions have been proposed.

Ordinary Resolution 1 – The Proposed Acquisition

The first resolution was to approve the Proposed Acquisition.

The Chairman proposed the motion to pass the following resolution:

"RESOLVED THAT:

(a) the Proposed Acquisition as described in Section 2 of the Circular be and is hereby approved; and

(b) the Directors of the Company and/or any of them be and are hereby authorised and empowered to complete and do all such acts and things, and to approve, modify, ratify and execute all such documents, acts and things as they and/or he may consider, desirable, necessary or expedient to give effect to the abovementioned resolution."

The Meeting was opened to the floor for questions. A summary of the ensuing exchange of key salient questions and answers between the Directors, Management and certain shareholders were set out below:

Question 1

When the move to Bangsar South happens, will the Group then have naming rights for the building?

Company's Response

Yes, the Group would have naming rights on the building.

Question 2

The acquisition entails specific floors and repairs, with the added benefit of securing naming rights. However, at RM86 million for 69,445 square feet, priced at RM1,238 per square foot, it is not a bargain, especially considering it is not freehold. Key considerations include whether the price aligns with the expected outcome and if the space will be delivered as bare commercial or fully furnished.

Company's Response

A valuation report for this acquisition was issued. As one of the major co-owners, alongside another medical business holding approximately 60%, the Group gains shared ownership. The developer constructed the property for all the involving parties, entitling them to shared common areas like lobbies and car parks. These additional benefits aren't factored into the strata's value alone. With an approximately 40% ownership stake by the Group in ancillary areas such as a five-story car park and ground floor lobby, which can be leased out for revenue-generating purposes, the deal becomes more favourable. Hence, considering these bonuses, the acquisition appears to be quite reasonable.

An empty building will be handed over, where the Group will have to spend some money to build out the interior as necessary ready for its intended purposes.

Question 3

Would there be additional capital expenditure 3 years down the road for the renovation?

Company's Response

The capital expenditure has been duly considered in the Group's financial planning. The reported purchase price for the building encompasses the infrastructure to be constructed, including the Group's designated areas such as lift calls, lift lobby, ambulance bay, and the mechanical and electricity infrastructure. However, within the strata where the medical business operates, the floor is currently vacant and will be customised to the Group's specifications with necessary partitions.

As there were no further questions raised, the Chairman put the resolution to vote by way of poll.

The poll results were tabulated as follows:

Ordinary Resolution 1	Votes Total	Votes For	%	Votes Against	%
	436,832,633	436,832,633	100.00	0	0.00

Based on the results of the poll, the Chairman declared Ordinary Resolution 1 carried.

Ordinary Resolution 2 – The Proposed Adoption of the ISEC Healthcare Share Option Scheme

Ordinary Resolution 2 was to approve the adoption of the ISEC Healthcare Share Option Scheme.

The Chairman proposed the motion to pass the following resolution:

"RESOLVED THAT:

(a) the share option scheme to be known as the ISEC Healthcare Share Option Scheme (the "**2024 ESOS**"), the details and rules of which have been set out in the Circular, be and is hereby approved and adopted substantially in the form set out in the rules of the 2024 ESOS; and

(b) the Directors of the Company be and are hereby authorised and empowered:

(i) to establish and administer the 2024 ESOS;

(ii) to modify and/or amend the 2024 ESOS from time to time provided that such modification and/or amendment is effected in accordance with the rules of the 2024 ESOS and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2024 ESOS;

(iii) to offer and grant options ("**Options**") in accordance with the rules of the 2024 ESOS (as may be modified from to time) and to allot and issue and/or transfer from time to time such number of shares in the capital of the Company ("**Shares**") as may be required to be issued and/or transferred pursuant to the exercise of Options, provided that the total number of Shares over which new Options may be granted on any date, when added to (i) the total number of new Shares allotted and issued and/or to be allotted and issued and issued Shares (including treasury shares) delivered and/or to be delivered pursuant to Options already granted under the 2024 ESOS, and (ii) the total number of Shares issued and issuable and/or transferred or transferable in respect of all options or awards granted under any other share schemes of the Company, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding that date; and

(iv) to complete and do all such acts and things, and to approve, modify, ratify and execute all such documents, acts and things as they and/or he may consider, desirable, necessary or expedient to give effect to the abovementioned resolution."

The Meeting was opened to the floor for questions. A summary of the ensuing exchange of key salient questions and answers between the Directors, Management and certain shareholders were set out below:

Question 4

Should the Company still pursue the Employee Share Option Scheme (ESOS)? ESOS has been prevalent, but many companies have shifted to the Performance Share Plan (PSP). It is worth the Board's careful consideration whether ESOS is truly necessary. The PSP, already implemented, could effectively retain doctors and might be a more suitable alternative.

Company's Response

At the board level we have been deliberating this quite intensely with Management and are convinced because the Group's business really relies a lot on their employees, doctors, nurses and so on. The Board together with Management believes the ESOS provides more leeway and flexibility in rewarding and motivating staff.

The ESOS complements the PSP, albeit with some overlap, each serving slightly different purposes. For instance, while doctors can easily demonstrate their performance through billing and workload, this may not be as straightforward for staff like nurses, lacking clear performance indicators. Despite this, over the years, the number of ESOS recipients has been relatively low.

Comments

The Company should prioritise the PSP to incentivise and reward staff, leading to the suggestion to phase out the ESOS. Additionally, granting discounts of up to 10% of the share price might not be necessary, particularly if the Company's performance drives share price growth.

Company's Response

The Board noted the comments, and the Board would discuss more in depth on whether there is still a need for ESOS.

As there were no further questions raised, the Chairman put the resolution to vote by way of poll.

The poll results were tabulated as follows:

Ordinary Resolution 2	Votes Total	Votes For	%	Votes Against	%
	334,644,679	334,516,679	99.96	128,000	0.04

Based on the results of the poll, the Chairman declared Ordinary Resolution 2 carried.

Ordinary Resolution 3: The Proposed Grant Of Options At A Discount Under The ISEC Healthcare Share Option Scheme

Ordinary Resolution 3 was to approve the Proposed Grant of options at a discount under the ISEC Healthcare Share Option Scheme.

The Chairman proposed the motion to pass the following resolution:

"RESOLVED THAT:

Subject to and contingent upon the passing of Ordinary Resolution 2:

(a) the Directors of the Company be and are hereby authorised to offer and grant Incentive Options in accordance with the rules of the 2024 ESOS with Exercise Price set at a discount to the Market Price;

(b) the maximum discount that may be given for the Incentive Options under the 2024 ESOS shall not exceed 20% of the Market Price; and

(c) to complete and do all such acts and things, and to approve, modify, ratify and execute all such documents, acts and things as they and/or he may consider, desirable, necessary or expedient to give effect to the abovementioned resolution."

The Meeting was opened to the floor for questions.

Question 5

Why should there be a discount?

Company's Response

The Group, being a professional practice, operates similarly to a corporatised law firm or company, with its main business model not revolving around facility ownership. It is highly integrated, with doctors and most professional staff being equity partners, creating a well-run practice. The ESOS may be utilised to retain new doctors, whereas the PSP is solely based on performance. New partners are incorporated into the firm with subjective and objective measures, including revenue generation. The ESOS offers a discount as an incentive for new equity partners. This distinguishes it from the PSP, which focuses solely on performance. Additionally, renowned doctors may receive performance shares to incentivise them further.

As there were no further questions raised, the Chairman put the resolution to vote by way of poll.

The poll results were tabulated as follows:

Ordinary Resolution 3	Votes Total	Votes For	%	Votes Against	%
	334,654,679	334,526,679	99.96	128,000	0.04

Based on the results of the poll, the Chairman declared Ordinary Resolution 3 carried.

Special Resolution 4: The Proposed Adoption of a New Constitution

Special Resolution 4 was to approve the adoption of a new Constitution.

The Chairman proposed the motion to pass the following resolution:

"RESOLVED THAT:

(a) the regulations contained in the New Constitution of the Company reproduced in its entirety in **Appendix F** of the Circular, be and are hereby approved and adopted as the Constitution of the Company in substitution for, and to the exclusion of, the Memorandum and Articles; and

(b) the Directors of the Company and/or any of them be and are hereby authorised and empowered to complete and do all such acts and things, and to approve, modify, ratify and execute all such documents, acts and things as they and/or he may consider, desirable, necessary or expedient to give effect to the abovementioned resolution."

The Meeting was opened to the floor for questions. As there were no questions raised, the Chairman put the resolution to vote by way of poll.

The poll results were tabulated as follows:

Special Resolution 4	Votes Total	Votes For	%	Votes Against	%
	436,822,533	436,822,533	100.00	0	0.00

Based on the results of the poll, the Chairman declared Special Resolution 4 carried.

CLOSE OF THE MEETING

There being no other business to transact, the Chairman declared the Meeting closed at 11.17 a.m. and thanked everyone for their attendance.

Confirmed as True Record of Proceedings Held

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Chong Weng Hoe
Chairman