

SOLUTION GROUP BERHAD
Registration No. 200401016072 (654575-P)
(Incorporated in Malaysia)

MINUTES OF THE 17TH ANNUAL GENERAL MEETING (“AGM”) OF SOLUTION GROUP BERHAD HELD FULLY VIRTUAL VIA ONLINE MEETING PLATFORM AT <https://tjih.online> ON MONDAY, 28 JUNE 2021 AT 2.00 P.M.

Present : Datuk Dr. Syed Muhamad Bin Syed Abdul Kadir
(Chairman and Independent Non-Executive Director)
Mr. Lim Yong Hew (Group Managing Director)
Dato’ Dr Mohd Nazlee Bin Kamal (Deputy Group Managing Director)
Mr. Lim Hai Guan (Executive Director)
En. Mohd Shahrin Bin Saparin @ Abd Rahman (Executive Director)
Mdm. Lim Chiou Kim (Executive Director)
En. Zainuddin Bin Muhamad (Independent Non-Executive Director)

In Attendance : Ms Siew Suet Wei (Company Secretary)
Ms Lim Yen Teng (Company Secretary)

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

1. CHAIRMAN

- 1.1. Datuk Dr. Syed Muhamad bin Syed Abdul Kadir (“Datuk Dr. Syed”), being the Chairman of the Board of Directors (“Board”), presided as Chairman of the Meeting and welcomed all members and guests to the Meeting. The Chairman informed that the AGM this year was held fully virtual and through remote participation in line the guidance on the Conduct of General Meetings for the Listed Issuers issued by the Securities Commission revised on 1 June 2021. He informed that other Board Members were participating remotely together with the Company Secretaries and Auditors.

2. QUORUM

- 2.1. The Company Secretary confirmed that a quorum was present. With the requisite quorum being present, the Chairman called the Meeting to order at 2.00 p.m.

3. NOTICE OF MEETING

- 3.1. The Notice dated 31 May 2021 convening the 17th AGM having been despatched to all members of the Company within the prescribed period, was taken as read.

4. SUMMARY OF ATTENDANCE

- 4.1 The Chairman informed that based on the registration data provided by the appointed Poll Administrator of this AGM, Tricor Investor & Issuing House Services Sdn Bhd, a total of 93 members/proxies, representing 22,522,150 ordinary shares, representing 5.3% of the total issued shares of the Company, had registered themselves to attend the AGM.

5. VOTING BY POLL

- 5.1 The Chairman informed the members that pursuant to the Listing Requirements of Bursa Malaysia, all the resolutions set out in the Notice of the Meeting will be decided by poll.
- 5.2 The Chairman also informed that the Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as Poll Administrator to conduct the polling process and Asia Securities Sdn Bhd as the Scrutineer to verify the poll results. The polling process would be conducted electronically via the Remote Participation and Voting ("RPV") facility and the voting session commence from 2.00 p.m. until the voting session announce closed. The Members were provided guidance on the online voting procedures.

ORDINARY BUSINESS

6. AUDITED FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 DECEMBER 2020 AND THE REPORTS OF DIRECTORS' AND AUDITORS' THEREON

- 6.1 The Chairman informed the Meeting that the first item on the Agenda was to receive the Audited Financial Statements for the financial year ended 31 December 2020 and the Reports of the Directors' and Auditors' thereon.
- 6.2 The Chairman explained that the Audited Financial Statements was meant for discussion only and hence, would not be put for voting.
- 6.3 It was recorded that the Audited Financial Statements together with the Directors' and the Auditors' Reports had been duly received by the members.
- 6.4 Thereafter, the Chairman went through each of the resolutions set out in the Notice of the Meeting.

7. RESOLUTION 1 - PAYMENT OF DIRECTORS' FEES

- 7.1 Resolution 1 was to approve the payment of Directors' Fees of RM194,400 for the financial year ended 31 December 2020.

8. RESOLUTION 2 - PAYMENT OF DIRECTORS' FEES AND/OR BENEFITS

- 8.1 Resolution 2 was to approve the payment of Directors' Fees and/or benefits up to the amount of RM260,400 for the period from 28 June 2021 until the next AGM of the Company.

9. RE-ELECTION OF DIRECTORS

9.1 RESOLUTION 3 - RE-ELECTION OF MS. LIM CHIOU KIM

Resolution 3 was to approve the re-election of Ms. Lim Chiou Kim as Director of the Company in accordance with Article 18.3 of the Constitution of the Company.

9.2 RESOLUTION 4 - RE-ELECTION OF EN. ZAINUDDIN BIN MUHAMAD

Resolution 4 was to approve the re-election En. Zainuddin Bin Muhamad as Director of the Company in accordance with Article 18.3 of the Constitution of the Company.

10. RESOLUTION 5 - RE-APPOINTMENT OF AUDITORS

10.1 Resolution 5 was to approve the re-appointment of Messrs Folks DFK & Co. as Auditors of the Company and to authorise the Directors to fix their remuneration.

SPECIAL BUSINESS

11. RESOLUTION 6 - RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

11.1 Resolution 6 was to approve:

“THAT approval be and is hereby given to retain Datuk Dr. Syed Muhamad Bin Syed Abdul Kadir, who has served as Independent Non-Executive Director of the Company for more than twelve (12) years, to continue to serve as Independent Non-Executive Director of the Company until the conclusion of the next AGM.”

12. RESOLUTION 7 - AUTHORITY TO ISSUE SHARES

12.1 Resolution 7 was to approve:

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject always to the approval from the relevant authorities, where such approval is necessary, the Board of Directors be authorised to issue and allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the issued capital 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 ACE Market of Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM which is required by law to be held or revoked / varied by a resolution passed by the shareholders in general meeting whichever is the earlier.”

13. RESOLUTION 8 – PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

13.1 Resolution 8 was to approve:

“THAT subject to the provisions under the Act, the Constitution of the Company, the ACE Market Listing Requirements and any other applicable laws, rules, regulations and guidelines for the time being in force, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company (“Shares”) as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed 10% of the total issued and paid-up share capital of the Company.

THAT the maximum amount of funds to be allocated for the purpose of purchasing the Shares shall not exceed the retained profits of the Company.

THAT authority be and is hereby given to the Directors to decide at their discretion, as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities for the time being in force to deal with any of the Shares so purchased by the Company in the following manner:

- (a) the Shares so purchased could be cancelled; or
- (b) the Shares so purchased could be retained as treasury shares for distribution as dividends or bonus shares to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or transferred in accordance with the Act and/or be cancelled subsequently; or
- (c) combination of (a) and (b) above.

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company, at which time the said authority would lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM is required by law to be held; or
- (iii) the authority is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting,

whichever occurs first;

AND THAT the Directors be and are hereby authorised to take such steps as are necessary or expedient to implement or to effect the purchase(s) of the Shares with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto.”

14. RESOLUTION 9 – PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

14.1 Ordinary Resolution 9 was to approve:

“THAT, subject to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be given to the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature (“Recurrent Related Party Transactions”) as set out in Section 3 of the Circular to Shareholders dated 31 May 2021, subject to the following:-

- (a) the Recurrent Related Party Transactions are undertaken in the ordinary course of business which are necessary for the day-to-day operations on arm’s length basis, on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not detrimental to the minority shareholders of the Company; and
- (b) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Proposed Renewal of Shareholders’ Mandate during the financial year.

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company, at which time the said authority would lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next AGM is required by law to be held; or
- (iii) the authority is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting,

whichever occurs first.

AND THAT the Directors be and are hereby authorised to take such steps as are necessary or expedient to implement or to effect the Proposed Renewal of Shareholders’ Mandate.”

15. RESOLUTION 10 – PROPOSED ALLOCATION OF EMPLOYEES’ SHARE OPTION SCHEME (“ESOS”) OPTIONS TO DATO’ DR. MOHD NAZLEE BIN KAMAL

15.1 Ordinary Resolution 10 was to approve:

“THAT pursuant to the ESOS of the Company approved by the shareholders of the Company at the Extraordinary General Meeting held on 16 January 2014, approval be and is hereby given to the Board to authorise the ESOS Committee at any time and from time to time, to offer and grant to Dato’ Dr. Mohd Nazlee Kamal, Deputy Group Managing Director of the Company, options to subscribe for such number of ordinary shares of the Company under the ESOS PROVIDED THAT:-

- a) not more than 10% of the new ordinary shares of the Company available under the ESOS shall be allocated to him, if he, either singly or collectively through persons

connected with him (as defined in the Listing Requirements), holds 20% or more of the total number of issued shares of the Company (excluding treasury shares);

- b) he must not participate in the deliberation or discussion of his own allocation on the ESOS Options to be offered to him under the ESOS;

AND subject always to such terms and conditions of the New ESOS By-Laws and/or any adjustments which may be made in accordance with the provisions of the ESOS By-Laws and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities, as amended from time to time;

AND THAT the Board is also authorised to allot and issue the corresponding number of new shares arising from the exercise of the ESOS Options that maybe granted to him under the ESOS.”

16. QUESTIONS & ANSWERS SESSION

- 16.1 The Chairman then invited questions from the floor. The question/comments raised at the Meeting are attached in **Appendix I**.
- 16.2 There were no other further questions raised, the Meeting then proceeded to the last item of the agenda.

17. TO TRANSACT ANY OTHER BUSINESS FOR WHICH DUE NOTICE SHALL HAVE BEEN GIVEN

- 17.1 The Chairman informed that the Company had not received any notice to deal with any other business for which due notice was required to be given pursuant to the Companies Act 2016 and the Company’s Constitution.

18. CONDUCT OF POLL

- 18.1 The Chairman requested shareholders to submit their votes online. He reminded the Interested Director and persons connected to them would abstain from voting in respect of their direct and indirect shareholdings in the Company on Resolutions 9 and 10.
- 18.2 The Meeting was adjourned for about 20 minutes for the conduct of the poll and vote counting.

19. ANNOUNCEMENT OF POLL RESULTS

- 19.1 At 2.52 p.m., the Scrutineers, Asia Securities Sdn Bhd, gave the verified poll results to the Chairman.

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19.2 The Chairman called the Meeting to resume for the announcement of the poll results.

| Resolutions | For | | Against | | Results |
|-----------------------|---------------|------------|---------------|------------|---------|
| | No. of Shares | % of votes | No. of Shares | % of votes | |
| Resolution 1 | 116,920,576 | 99.9813 | 21,863 | 0.0187 | Carried |
| Resolution 2 | 116,892,099 | 99.9570 | 50,340 | 0.0430 | Carried |
| Resolution 3 | 114,467,420 | 99.9997 | 363 | 0.0003 | Carried |
| Resolution 4 | 114,682,748 | 99.9996 | 463 | 0.0004 | Carried |
| Resolution 5 | 116,946,976 | 99.9996 | 463 | 0.0004 | Carried |
| Resolution 6 - Tier 1 | 79,123,780 | 100.0000 | 0 | 0.0000 | Carried |
| Resolution 6 - Tier 2 | 34,029,300 | 99.9986 | 463 | 0.0014 | Carried |
| Resolution 7 | 116,919,976 | 99.9808 | 22,463 | 0.0192 | Carried |
| Resolution 8 | 116,918,076 | 99.9749 | 29,363 | 0.0251 | Carried |
| Resolution 9 | 113,574,648 | 99.9996 | 463 | 0.0004 | Carried |
| Resolution 10 | 115,172,276 | 99.9360 | 73,763 | 0.0640 | Carried |

20. CONCLUSION

There being no other business to be transacted, the Chairman declared the 17th Annual General Meeting closed at 3.00 p.m.

CONFIRMED AS CORRECT RECORD

-signed-

DATUK DR. SYED MUHAMAD BIN
SYED ABDUL KADIR
CHAIRMAN

Date : 28 June 2021

APPENDIX I – QUESTIONS AND ANSWERS

| NO. | QUESTIONS | ANSWERS |
|-----|--|--|
| 1. | <p>Can the management provide the latest update on the Company’s vaccine venture? such as GMP approval, when will the CanSino vaccine reach Malaysia, is there any local private/oversea orders.</p> | <p>The vaccine has received product registration approval from National Pharmaceutical Regulatory Agency (“NPRA”).</p> <p>Currently, the Company is in the midst getting the GMP approval for the fill & finish facility. We expect to complete the validation exercise by the middle of July 2021. Thereafter, we will move to another steps which is media fill validation.</p> <p>We are targeting the CanSino vaccine will reach Malaysia by July 2021.</p> <p>For the time being, the Government not allowed for the private sector to sell the vaccine.</p> <p>As far as for oversea concern, we have already appointed a few distributors from the following countries: -</p> <ol style="list-style-type: none"> 1. Philippines 2. Thailand 3. Singapore |
| 2. | <p>Besides CanSino, any other vaccine business?</p> | <p>Yes. We are in the midst exploring with the mRNA vaccine.</p> |
| 3. | <p>Can elaborate on the future plan of Company’s new Biopharma Business?</p> <p>When will the Company’s net profit return to profitability? 2Q21? 3Q21?</p> <p>At the current stock price of RM1.06, do you think its undervalued or overvalued?</p> | <p>As all aware, the Biopharma Business will be invested in fill & finish facility and we actually done the private placement to raise about RM28 million for this venture.</p> <p>For the Company’s net profit, we are very certain that in 3Q21 we will return to the profitability due to vaccine business.</p> <p>In relation to the stock price, we unable to comment whether it is undervalued or overvalued.</p> |

| NO. | QUESTIONS | ANSWERS |
|-----|---|---|
| 4. | <p>Is the Company's supply of CanSino vaccine to the Government still maintained at 3.5 million doses?</p> <p>In addition to supply to vaccines to Federal Government, does the Company plans to supply vaccine to private sector and state government?</p> | <p>The Company will supply 3.5 million doses of CanSino vaccine to the Government.</p> <p>Apart from that, we have received a letter of intends from 3 states and as for private sector, we have talked to more than 20 companies. However, we have yet to appoint any Company as the Government not allowed for the private sector supply.</p> |
| 5. | <p>How much the profit margin in distribution Convidecia?</p> <p>Did receive any vaccine order from ASEAN country?</p> | <p>We targeted around 10% - 20%. However, it depends on the volume.</p> <p>As for now, we have not received any order from the ASEAN countries but we have appointed the distributors in ASEAN countries.</p> |