

KEY ALLIANCE GROUP BERHAD

Company Registration No. 200301007533 (609953-K)
(Incorporated in Malaysia)

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF KEY ALLIANCE GROUP BERHAD (“KAG” OR “THE COMPANY”) HELD FULLY VIRTUAL AT THE BROADCAST VENUE AT LOT 18.2, 18TH FLOOR, MENARA LIEN HOE, NO. 8, PERSIARAN TROPICANA, TROPICANA GOLF & COUNTRY RESORT, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON TUESDAY, 25 MAY 2021 AT 10.00 A.M.

Present : As per attendance list

1. **CHAIRMAN**

With the consent of the meeting, Mr. Roy Ho Yew Kee (“Mr. Roy” or “the Chairman”), the Managing Director of the Company, presided at the meeting and welcomed the members to the Extraordinary General Meeting (“EGM”) of the Company.

2. **QUORUM**

There being a quorum present at the meeting, the Chairman declared the meeting duly convened at 10.00 a.m.

3. **NOTICE**

With the consent of the meeting, the Notice of EGM dated 7 May 2021 (“Notice”) convening the meeting having been circulated within the prescribed period was taken as read.

4. **PRELIMINARY**

The Chairman informed that with the outbreak of Coronavirus Disease (“COVID-19”) and as part of the safety measures to curb the spread of COVID-19 pandemic, the EGM is conducted by way of Virtual Meeting and online remote voting using the Remote Participation and Voting (“RPV”) Facilities.

Before proceeding with the agendas of the meeting, a short system briefing on the voting process using the RPV facilities was shown during the meeting and duly noted by the shareholders.

The Chairman briefed the meeting that pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company must ensure that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll. At the same time, the Company must appoint at least one (1) scrutineer to validate the votes cast at the general meeting. Such scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process.

With the consent and approval of the meeting, the Chairman informed that the polling process for all the resolutions would be conducted upon completion of the deliberation of all items to be transacted at the EGM.

5. ORDINARY RESOLUTION 1

PROPOSED PRIVATE PLACEMENT OF UP TO 20% OF THE TOTAL NUMBER OF ISSUED SHARES OF KAG (EXCLUDING TREASURY SHARES) TO THIRD PARTY INVESTOR(S) TO BE IDENTIFIED LATER ("PROPOSED PRIVATE PLACEMENT")

The Chairman informed that Ordinary Resolution 1 is to approve the Proposed Private Placement, the details of which has been provided in the Company's Circular to Shareholders dated 7 May 2021.

The following resolution which was set out in the Notice was put to the meeting for consideration:

"THAT subject to the approvals of all relevant authorities being obtained, approval be and is hereby given to the Board of Directors of the Company ("Board") to allot and issue up to 789,172,978 ordinary shares in KAG ("KAG Share(s)") ("Placement Share(s)"), representing up to 20% of the issued shares of KAG.

THAT approval be and is hereby given to the Board to determine the issue price for the Placement Shares at a later date based on not more than 20% discount to the five-day volume weighted average market price ("VWAP") of the KAG Shares immediately preceding the price-fixing date.

THAT the Placement Shares will, upon allotment and issuance, rank equally and carry the same rights with the current existing KAG Shares, save and except that the Placement Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of the Placement Shares.

THAT the proceeds of the Proposed Private Placement be utilised for the purpose as set out in the circular to shareholders dated 7 May 2021 ("Circular"), and the Board be and is hereby authorised with full power to vary the manner and/ or purpose of utilisation of such proceeds in such manner as the Board deems fit, necessary and/ or expedient or in the best interest of the Company, subject (where required) to the approval of the relevant authorities. Pursuant to Rule 9.19(33) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") ("Bursa Securities"), the Company will make an immediate announcement to Bursa Securities should there be any deviation by 5% or more from the original utilisation of proceeds as set out in the Circular. Further, pursuant to Rule 8.24 of the Listing Requirements, in the event that the deviation from the original utilisation of proceeds is deemed as a material variation, the Company will seek its shareholders' approval for the variation at an extraordinary general meeting to be convened.

THAT the Placement Shares shall be listed on the ACE Market of Bursa Securities.

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the Proposed Private Placement with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps to enter into all such agreement, arrangement, undertaking, indemnities, transfer, assignment and guarantee with any party or parties and to do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Private Placement."

6. ORDINARY RESOLUTION 2

PROPOSED ACQUISITION OF 450,000 ORDINARY SHARES IN TREE MED SDN BHD ("TREE MED"), REPRESENTING 30% EQUITY INTEREST IN TREE MED, FROM KHAIRUL ANUAR BIN DANIAL AND RAJA MAZYAH BINTI RAJA AMINUDDIN (COLLECTIVELY, THE "VENDORS") FOR A PURCHASE CONSIDERATION OF RM14,000,000 TO BE SATISFIED VIA A COMBINATION OF RM4,000,000 IN CASH AND RM10,000,000 VIA THE ISSUANCE OF 200,000,000 NEW KAG SHARES AT AN ISSUE PRICE OF RM0.05 PER KAG SHARE ("CONSIDERATION SHARE(S)) ("PROPOSED ACQUISITION")

The Chairman informed that Ordinary Resolution 2 is to approve the Proposed Acquisition, the details of which has been provided in the Company's Circular to Shareholders dated 7 May 2021.

The following resolution which was set out in the Notice was put to the meeting for consideration:

"THAT, subject to the approvals of all relevant authorities in respect of the listing and quotation for 200,000,000 Consideration Shares on the ACE Market of Bursa Securities, and/or parties being obtained, approval be and is hereby given to the Company to acquire 450,000 ordinary shares of Tree Med, representing 30% equity interest in Tree Med from the Vendors for a purchase consideration of RM14,000,000 to be satisfied via a combination of RM4,000,000 in cash and RM10,000,000 via the issuance and allotment of 200,000,000 Consideration Shares to the Vendors at an issue price of RM0.05 per Consideration Share, in accordance with the terms and conditions of the conditional share sale agreement dated 11 March 2021 entered into between the Company and the Vendors pursuant to the Proposed Acquisition.

THAT such Consideration Shares shall, upon allotment and issuance, rank equally in all respects with the existing KAG Shares, save and except that the Consideration Shares will not be entitled to any dividends, rights, allotment and/ or other forms of distributions where the entitlement date of such dividends, rights, allotments and/ or any other forms of distribution precedes the date of allotment and issuance of the Consideration Shares.

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the aforesaid Proposed Acquisition with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Acquisition."

7. QUESTIONS AND ANSWERS DISCUSSED AT THE EGM

The Chairman then invited question from the shareholders relating to the resolutions tabled at this EGM.

The following questions were raised by the shareholders / proxies and duly replied by the Directors as follows:

Q1 : Will Company consider to undertake the share consolidation exercise in the future ?

There is no immediate plan to undertake the share consolidation exercise at this juncture.

Q2 : What's is the Company's justification of being accused as one of the members in the "Hidden Hand behind Penny stock" news ?

The Company, in accordance with its policies, and Listing Requirements, does not comment or provide feedback on market speculation and unsubstantiated tabloid rumors. However, the Company will reserve its right to undertake appropriate actions against the media outlets which has published any articles which is false and highly defamatory against the Company, should the need arise.

After dealing the questions raised by the shareholders / proxies, the meeting then proceeded with the proceeding of the polling process.

8. POLLING PROCESS

After the shareholders casted their votes, the Chairman, with the consent of the meeting, adjourned the meeting at 10.15 a.m. for the counting and verification of the poll results.

9. ANNOUNCEMENT OF POLL RESULTS

At 10.25 a.m., the Chairman called the meeting to order for the declaration of results. He informed that he had received the poll results from the Scrutineers as follows :

Resolutions	Voted	No. of Shareholders	No. of Shares	% of Shares
<u>Ordinary Resolution 1</u> Proposed Private Placement	For	12	335,635,350	99.9851
	Against	3	50,154	0.0149
<u>Ordinary Resolution 2</u> Proposed Acquisition	For	13	335,635,400	99.9851
	Against	2	50,104	0.0149

The Chairman informed that based on the poll results, he thereby declared that all the resolutions set out in the Notice as carried.

10. TERMINATION

There being no other business, the meeting ended at 10.30 a.m. with a vote of thanks of the Chairman.

**Confirmed as a correct record of
the proceedings thereat**

- signed -

Roy Ho Yew Kee
Chairman of the Meeting