UG HEALTHCARE CORPORATION LIMITED
- Notes to the Minutes of the Annual General Meeting held on 29 October 2025

ORDINARY RESOLUTION 1 – DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

Question 1

A shareholder noted that the Company's profit margin had improved from FY24 to FY25 and asked Management to elaborate further.

Response:

Mr. Lee Jun Yih, the Joint CEO, Executive Director and Finance Director, replied that the Company's gross profit margin improved from 22.5% in FY24 to 24.1% in FY25, which is in tandem with an increase in sales volume for FY25.

He also highlighted that the Company's earnings before interest, taxes, depreciation and amortisation (the "**EBITDA**")[1] improved from $(1.84) million in FY24 to $2.17 million in FY25. After excluding the non-recurring and one-off adjustments, the Company recorded a further improvement in its normalised EBITDA[2] from $(3.94) million in FY24 to $3.26 million in FY25.

Question 2

Shareholders asked about the progress of the Active Retirement Home Project (the "**ARH Project**") and how the Company intends to fund the project.

Response:

Mr. Lee Jun Yih informed shareholders that the ARH Project is currently in the planning stage. The Company's joint venture partner in Malaysia is leading the planning, construction and development of the project. Given the beachfront strategic location within the Special Economic Zone (the "**SEZ**") and the low entry cost of the land acquisition, the Company views this as a long-term and sustainable business diversification that is expected to progress in stages over time.

He reiterated that, under the partnership agreement, the Group has no obligation to fund the development of ARH Project as a 35% investor in the joint venture. To date, the Group has only funded an amount of RM33.3 million for the land acquisition ("**Land Acquisition Funding**"), details of which were set out in the Company's announcement on 14 October 2022. The Group will be entitled to its 35% equity share of profits from the project, after construction and project-related costs as well as the Land Acquisition Funding has been repaid, as per the partnership agreement.

The Company will provide shareholders with updates on material developments as and when appropriate.

[1] *A measure of the Company's operating profitability, calculated by adding back interest, taxes, depreciation, and amortisation to the Company's loss before tax of $3.74 million in FY25 and $6.99 million in FY24.*

[2] *A measure of the Company's EBITDA that has been adjusted to exclude non-recurring, one-time, or unusual items such as impairment of property, plant and equipment, impairment of goodwill and gain on remeasurements.*