

HAP SENG PLANTATIONS HOLDINGS BERHAD

200701011957 (769962-K)

Incorporated in Malaysia

MINUTES OF THE SEVENTEENTH ANNUAL GENERAL MEETING OF THE COMPANY CONDUCTED VIRTUALLY THROUGH REMOTE PARTICIPATION AND ELECTRONIC VOTING FACILITIES AT THE BROADCAST VENUE, KINABALU ROOM, GROUND FLOOR, MENARA HAP SENG, JALAN P. RAMLEE, 50250 KUALA LUMPUR ON TUESDAY, 28 MAY 2024 AT 10AM

- Present : **DIRECTORS**
Dato' Mohammed Bin Haji Che Hussein
(Independent Non-Executive Chairman)
Datuk Edward Lee Ming Foo
(Managing Director)
Mr Lee Wee Yong
(Executive Director)
Ms Cheah Yee Leng
(Executive Director)
Mr Au Yong Siew Fah
(Executive Director)
- Present via live streaming : Datuk Simon Shim Kong Yip
(Non-Independent Non-Executive Deputy Chairman)
Mr Chong Kwea Seng
(Independent Non-Executive Director)
Mr Steven Choy Khai Choon
(Independent Non-Executive Director)
Tan Sri Amirsham Bin A Aziz
(Independent Non-Executive Director)
Datuk Hamisa Binti Samat
(Non-Independent Non-Executive Director)
- In Attendance : Ms Lim Guan Nee
(Company Secretary)
- Present via live streaming : 186 members as per attendance sheet
: 21 proxies as per attendance sheet
: 1 corporate representative as per attendance sheet
- By invitation via live streaming : Mr Nicholas Chia, Messrs KPMG PLT
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QUORUM

The chairman welcomed all the shareholders, proxies and corporate representative who participated in the meeting through live streaming and online remote voting via remote participation and electronic voting facilities.

The chairman informed the meeting that non-executive directors and the auditors, Messrs KPMG PLT participated in this meeting via live streaming. He added that the board and management would do their level best to make this virtual experience as seamless as possible. He also apologized should there be any inadequacies along the way.

The chairman reminded the shareholders and proxies that this AGM was a private event, strictly for the Company's shareholders and their proxies, board members and key management of the Company as well as auditors, scrutineer and other professionals whose presence are required to facilitate this AGM. Accordingly, any recording of this AGM in any form was strictly prohibited.

At the start of the meeting, 51 shareholders, proxies and corporate representative logged in for the meeting using the remote platform. The chairman declared the meeting duly convened.

NOTICE OF MEETING

The chairman informed the meeting that the notice convening this meeting, which was set out in the annual report 2023, had been sent out to all members of the Company, Bursa Malaysia Securities Berhad, auditors of the Company as well as being published in the New Straits Times and Borneo Post and posted on the Company's website on 30 April 2024. The annual report 2023 was also posted on the Company's website on the same day.

The notice convening the meeting was taken as read.

PROXY

As part of good corporate governance practice, the chairman reported that the Company had received one corporate representative authorisation from the holding company, Hap Seng Consolidated Berhad representing 69.53% of the issued share capital of the Company. In addition, the Company had received 30 proxy forms of which 45,208,040 representing 7.52% of the proxies shares received had appointed the Chairman of the meeting as their proxy to vote on their behalf.

VOTING BY POLL

The chairman informed the meeting that in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), all the proposed resolutions would be voted on electronically by poll. Boardroom Share Registrars Sdn Bhd ("Boardroom") and GovernAce Advisory & Solutions Sdn Bhd ("GovernAce") had been appointed as poll administrator and independent scrutineer respectively.

The chairman explained that in the interest of time and efficacy, all the questions would be answered after he had tabled all the proposed resolutions to be carried in this meeting. He also encouraged the shareholders and proxies to submit their questions via the meeting portal.

The chairman informed the meeting that the poll had been opened since the beginning of the meeting and invited Boardroom to play the video explaining the remote electronic poll voting and the housekeeping rules for the electronic voting process before the shareholders and proxies proceeded to cast their votes.

ORDINARY BUSINESS:-

TO TABLE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 TOGETHER WITH THE REPORTS OF DIRECTORS AND AUDITORS

The chairman informed the meeting that the first item on the agenda was to table the audited financial statements together with the reports of directors and auditors. There would be no voting on this item.

ORDINARY RESOLUTION 1

TO RE-ELECT DATUK EDWARD LEE MING FOO, JP, WHO RETIRES AS DIRECTOR BY ROTATION IN ACCORDANCE WITH CLAUSE 116 OF THE COMPANY'S CONSTITUTION

The chairman tabled the following proposed ordinary resolution 1:-

“THAT Datuk Edward Lee Ming Foo, JP, who is retiring as director in accordance with clause 116 of the Company's constitution be hereby re-elected to serve on the board of directors of the Company.”

ORDINARY RESOLUTION 2

TO RE-ELECT MR. CHONG KWEA SENG, WHO RETIRES AS DIRECTOR BY ROTATION IN ACCORDANCE TO CLAUSE 116 OF THE COMPANY'S CONSTITUTION

The chairman tabled the following proposed ordinary resolution 2:-

“THAT Mr. Chong Kwea Seng, who is retiring as director in accordance with clause 116 of the Company's constitution be hereby re-elected to serve on the board of directors of the Company.”

ORDINARY RESOLUTION 3

TO RE-ELECT MR. CHOY KHAI CHOON, WHO RETIRES AS DIRECTOR BY ROTATION IN ACCORDANCE WITH CLAUSE 116 OF THE COMPANY'S CONSTITUTION

The chairman tabled the following proposed ordinary resolution 3:-

“**THAT** Mr. Choy Khai Choon, who is retiring as director in accordance with clause 116 of the Company’s constitution be hereby re-elected to serve on the board of directors of the Company.”

ORDINARY RESOLUTION 4

TO APPROVE THE PAYMENT OF DIRECTORS’ FEES OF THE COMPANY AMOUNTING TO RM733,671.00 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The chairman tabled the following proposed ordinary resolution 4:-

“**THAT** the payment of directors’ fees of the Company amounting to RM733,671.00 for the financial year ended 31 December 2023, be and is hereby approved.”

The chairman informed the shareholders and proxies that the interested directors had undertaken to abstain from voting in respect of ordinary resolution 4.

ORDINARY RESOLUTION 5

TO REAPPOINT MESSRS KPMG PLT AS AUDITORS OF THE COMPANY TO HOLD OFFICE UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING AT A REMUNERATION TO BE DETERMINED BY THE DIRECTORS OF THE COMPANY

The chairman tabled the following proposed ordinary resolution 5:-

“**THAT** Messrs KPMG PLT be reappointed as auditors of the Company to hold office until the conclusion of the next annual general meeting and that the directors be authorised to fix their remuneration.”

SPECIAL BUSINESS:-

ORDINARY RESOLUTION 6

AUTHORITY TO ALLOT SHARES PURSUANT TO SECTION 75 OF THE COMPANIES ACT 2016

The chairman explained that the special business for this meeting was to consider and if thought fit, to approve the authority to the directors to issue shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company. As at the date of this meeting, no new shares had been issued pursuant to the mandate obtained at the last annual general meeting.

The chairman tabled the following proposed ordinary resolution 6:-

“**THAT** the directors of the Company be and are hereby empowered pursuant to section 75 of the Companies Act 2016 to allot shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company, and that such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company.

ORDINARY RESOLUTION 7

PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The chairman explained that item 6 on the agenda was to consider and if thought fit, to pass the ordinary resolution on the proposed renewal of and new shareholders' mandate for recurrent related party transactions with the respective related parties. The related parties are:

- 1) Hap Seng Consolidated Berhad Group;
- 2) Gek Poh (Holdings) Sdn Bhd Group;
- 3) Lei Shing Hong Limited Group; and
- 4) Messrs Shim Pang & Co.

The chairman mentioned that the proposed ordinary resolution 7, if passed, would allow Hap Seng Plantations Holdings Berhad Group to enter into recurrent related party transactions pursuant to paragraph 10.09 of the Listing Requirements. Further information on the proposed shareholders' mandate for recurrent related party transactions with the respective related parties was set out in section 2.3 of Part A of the Circular/Statement to shareholders dated 30 April 2024.

For purpose of good order, the chairman highlighted to the meeting that the interested major shareholders, interested directors and/or persons connected to them had undertaken to abstain from voting in respect of their direct/indirect shareholdings on the resolution where they have an interest or deemed to have an interest.

The chairman tabled the following proposed ordinary resolution 7:-

“**THAT** proposed renewal of and new shareholders' mandate for the recurrent related party transactions with the related parties as set out in section 2.3 of Part A of the Circular/Statement to shareholders dated 30 April 2024 be and is hereby approved.”

ORDINARY RESOLUTION 8

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The chairman explained that item 7 on the agenda was to consider and if thought fit, to pass the ordinary resolution to renew shareholders authorisation for the Company to purchase its own shares through Bursa Malaysia Securities Berhad up to a maximum of 10% of the total number of issued shares of the Company. Further information on the proposed renewal of the share buy-back authority was set out in the share buy-back statement, which has earlier been sent to all shareholders.

The chairman tabled the following proposed ordinary resolution 8:-

“**THAT** the proposed renewal of the share buy-back authority as set out in the Notice of meeting be and is hereby approved.”

Q&A SESSION

The chairman informed the meeting that prior to the annual general meeting, the shareholders had submitted their questions to the Company. The questions and responses thereto is enclosed herewith as Appendix A.

The chairman invited questions from shareholders and proxies via live web and all questions were dealt with accordingly. In summary, the questions and responses thereto are enclosed herewith as Appendix B.

POLL VOTING

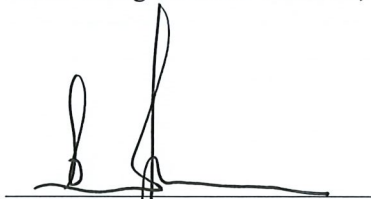
The chairman informed the meeting that the voting session would be closed in 5 minutes and the counting of votes as well as the validation by independent scrutineer would take approximately 10 minutes. He also added that the meeting should resume approximately at 15 minutes later for declaration of the poll results.

POLL RESULTS

The chairman announced that the meeting had resumed for announcement of poll results. Based on the enclosed poll results as set out in Appendix C which had been validated by GovernAce, the independent scrutineer, the chairman declared that all the resolutions are carried.

CONCLUSION

There being no other business, the meeting concluded at 10.40 am with a vote of thanks to the chair.



CHAIRMAN

Kuala Lumpur

APPENDIX A

Shareholder: Kow Lih Shi

1. Q: This year. Many new listing and related same sector, what is good will of company or this sector?

A: *We are not clear with the question, please clarify using the messaging window facility.*

2. Q: This year the Company able to pay more dividend or have bonus issue?

A: *The Group has a dividend policy of distributing approximately 60% of the total Group's profit after tax to shareholders annually.*

The Board strives to maintain this policy whilst taking into consideration other factors such as preserving liquidity for Group's operations and or any investment opportunities when available.

At this juncture, the Company do not have any intention to propose bonus issue.

APPENDIX B

- (a) In relation to shareholder request for eVoucher and/or door gift be provided to shareholders or proxies who attended the virtual annual general meeting, the chairman mentioned that this request had been raised for many years and the board took note on the request.
- (b) Referring to page 7 of Management Discussion & Analysis on the replanted area of 829 hectares, Mr Koh Chooi Peng enquired about the total replanting cost and the replanting area for FY 2024. Mr Au Yong replied that the cost incurred for the replanted area of 829 hectares was approximately RM39 million and the replanting area for FY 2024 is approximately 9,034 hectares.
- (c) Based on the 5-years plantation statistics on page 127 of the Annual Report 2023, HSP Group achieved its highest harvested fresh fruits bunches (“FFB”) of 659,427 tonnes in FYE2019, with FFB yield per mature hectare of 20.81. Subsequently, both FFB production and yield per hectare had shown a decline. In response to Mr Koh Chooi Peng’s enquiry, Mr Au Yong clarified that both FFB and crude palm oil (“CPO”) production would improve in FY 2024. Regarding the board’s long-term targets for HSP Group’s FFB and oil per mature hectare, Mr Au Yong responded that the management would set for a more realistic target of achieving 25 tonnes per hectare of FFB and 5 tonnes per hectare of CPO.
- (d) In response to inquiries regarding the utilization of the oil palm waste and wood-based products for renewable energy, Mr Au Yong highlighted that HSP Group had almost fully utilized all the oil palm waste, particularly in Bukit Mas Palm Oil Mill. HSP Group had commissioned biogas plants and initiated the production of fiber mats from empty fruit bunches, which is targeted to be operational by FY2025.
- (e) Upon Ho Chun Kit’s request for the Company’s palm oil products for trial, the board duly noted the request.
- (f) Regarding inquiry raised by Mr Lim Jit Thin about when the Company would convene a physical or hybrid AGM, the chairman stated that the board would continue to be guided by best practice. The chairman emphasized that the board would continue to assess and review the effectiveness of virtual meetings periodically.
- (g) Mr Ho Yueh Weng sought the management’s clarification on how the Company is addressing the decreasing palm oil market in the European Union, particularly concerning unfair anti-palm oil policies. Mr Au Yong emphasised that HSP Group's operations are primarily guided by market sentiment and had not encountered such issues from customers. Therefore, HSP Group’s business remains resilient and unaffected by such measures.

HAP SENG PLANTATIONS HOLDINGS BERHAD

200701011957 (769962-K)

Minutes of the Seventeenth Annual General Meeting held on 28 May 2024

Queries from the shareholders

During the AGM

- (h) Mr Koh Chooi Peng inquired about the significant reduction in distribution and other operating expenses in FY2023 compared to FY2022 and whether the management would to maintain the cost structure in FY2024. Mr Au Yong explained that the HSP Group's distribution expenses comprised Sabah CPO sales tax and windfall tax as well as lower fertilizers cost. These reductions were aligned with the lower Malaysian Palm Oil Board (MPOB) average price of CPO. In addition, he mentioned that the management aims to lower the current cost structure in FY2024.



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Date: 28th May 2024

The Chairman of the Meeting
Hap Seng Plantations Holdings Berhad

Dear Sirs,

Independent Scrutineer Report for the conduct of poll for Hap Seng Plantations Holdings Berhad's Annual General Meeting held on 28th May 2024

We, GovernAce Advisory & Solutions Sdn. Bhd., as the appointed independent scrutineer in attendance at the Annual General Meeting (AGM) of Hap Seng Plantations Berhad held on 28th May 2024 have performed the procedures as listed in our letter of engagement dated 22nd March 2024.

The results of the poll, as casted by the shareholders and proxy holders present and voting based on the results generated by the Polling System provided by Boardroom Share Registrars Sdn. Bhd. are as attached.

Thank you.

Yours sincerely,
For and on behalf of
GovernAce Advisory & Solutions Sdn. Bhd.



A handwritten signature in black ink, appearing to be 'JMT'.

Independent Scrutineer



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The results of the poll as follows:

	VOTES FOR	NO OF RECORDS	%	VOTES AGAINST	NO OF RECORDS	%	VOTES TOTAL
Resolution 1	598,682,981	218	99.9219	468,223	29	0.0781	599,151,204
Resolution 2	590,181,881	213	98.5030	8,969,323	34	1.4970	599,151,204
Resolution 3	602,315,581	223	99.9953	28,023	28	0.0047	602,343,604
Resolution 4	601,996,475	203	99.9751	149,729	45	0.0249	602,146,204
Resolution 5	599,756,181	218	99.5704	2,587,423	33	0.4296	602,343,604
Resolution 6	567,322,454	195	94.1859	35,021,150	56	5.8141	602,343,604
Resolution 7	42,489,749	210	98.8980	473,455	35	1.1020	42,963,204
Resolution 8	602,318,954	224	99.9959	24,650	27	0.0041	602,343,604

