

HAP SENG PLANTATIONS HOLDINGS BERHAD

200701011957 (769962-K)

Incorporated in Malaysia

**MINUTES OF THE FOURTEENTH ANNUAL GENERAL MEETING OF THE COMPANY
CONDUCTED BY WAY OF A FULLY VIRTUAL MEETING HELD AT THE BROADCAST
VENUE, KINABALU ROOM, GROUND FLOOR, MENARA HAP SENG, JALAN P.
RAMLEE, 50250 KUALA LUMPUR ON MONDAY, 24 MAY 2021 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)
Present via live streaming	: Datuk Simon Shim Kong Yip (Non-Independent Non-Executive Deputy Chairman) Mr Au Yong Siew Fah (Executive Director) Datuk Amat Asri Bin Abdul Kadir (Independent Non-Executive Director) 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) Mr Andrew John Barber (Independent Non-Executive Director)
Absent with Apologies	Datuk Jasa @ Ismail Bin Rauddah (Non-Independent Non-Executive Director)
In Attendance	: Ms Lim Guan Nee (Company Secretary)
Present via live streaming	: 137 members as per attendance sheet : 14 proxies as per attendance sheet : 1 corporate representative as per attendance sheet
By invitation via live streaming	: Mr Lee Hean Kok, Messrs KPMG PLT

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 in adherence to the social distancing protocol strictly, Mr Au Yong Siew Fah, non-executive directors and the auditors, Messrs KPMG PLT participated in this meeting via live streaming. He added that as this was the 2nd virtual shareholders' meeting, the board and management would do their level best to make this virtual experience as seamless as possible. He also apologized for 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, 32 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 2020, 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 posted on the Company's website on 26 April 2021. The annual report 2020 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 59.89% of the issued share capital of the Company. In addition, the Company had also received 17 proxy forms representing 25.95% of the issued share capital of the Company. Out of those, there were 4 shareholders who 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 this meeting portal.

The chairman informed the meeting that the poll had been opened 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 2020 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.

The chairman proceeded to table the following proposed resolutions:-

ORDINARY RESOLUTION 1

TO RE-ELECT DATUK SIMON SHIM KONG YIP, JP, WHO RETIRES AS DIRECTOR BY ROTATION IN ACCORDANCE WITH CLAUSE 116 OF THE COMPANY’S CONSTITUTION

The chairman tabled the following proposed resolution 1:-

“**THAT** Datuk Simon Shim Kong Yip, 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 DATUK EDWARD LEE MING FOO, JP, WHO RETIRES AS DIRECTOR BY ROTATION IN ACCORDANCE TO CLAUSE 116 OF THE COMPANY’S CONSTITUTION

The chairman tabled the following proposed resolution 2:-

“**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 3

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

The chairman tabled the following proposed resolution 3:-

"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 4

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 resolution 4:-

"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 5

TO APPROVE THE PAYMENT OF DIRECTORS' FEES OF THE COMPANY AND ITS SUBSIDIARIES AMOUNTING TO RM696,197.00 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The chairman tabled the following proposed resolution 5:-

"THAT the payment of directors' fees of the Company and its subsidiaries amounting to RM696,197.00 for the financial year ended 31 December 2020, 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 resolution 5.

ORDINARY RESOLUTION 6

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 resolution 6:-

"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 7

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 resolution 7:-

“**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 8

PROPOSED RENEWAL OF 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 resolution on the proposed renewal of 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;
- 4) Corporated International Consultant; and
- 5) Messrs Shim Pang & Co.

The chairman mentioned that the proposed resolution 8, 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 2.2 of Part A of the Circular/Statement to shareholders dated 26 April 2021.

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 resolution 8:-

“**THAT** proposed renewal of shareholders' mandate for the recurrent related party transactions with the related parties as set out in Section 2.2 of Part A of the Circular/Statement to shareholders dated 26 April 2021 be and is hereby approved.”

ORDINARY RESOLUTION 9 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 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 resolution 9:-

“**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 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 A.

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 B which had been validated by GovernAce, the independent scrutineer, the chairman declared that all the resolutions are carried.

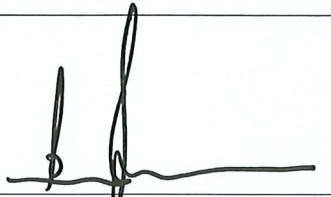
CONCLUSION

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

HAP SENG PLANTATIONS HOLDINGS BERHAD

200701011957 (769962-K)

Minutes of the Fourteenth Annual General Meeting held on 24 May 2021

A handwritten signature in black ink, consisting of a large, stylized 'H' followed by a horizontal line.

CHAIRMAN

Kuala Lumpur

Queries from the shareholders

APPENDIX A

- (a) In response to the request for eVoucher or eWallet credits and door gifts be given to shareholders or proxies who attended the virtual annual general meeting (“AGM”), Ms Cheah Yee Leng informed the meeting that the Company had dispensed with the practice for more than 10 years and instead the Company served light food and refreshments after the conclusion of general meetings. The board and the management would continue the practice of serving light food and refreshments at the future physical AGMs.
- (b) Ms Lee Suan Bee sought the management’s clarification on the costs for conducting the fully virtual AGM. Ms Cheah Yee Leng replied that the costs for the first fully virtual AGM was approximately RM52,000 that included the hall rental and facilities to enable the remote participation, voting and etc. She expects the costs for holding the AGM 2021 be lower as most of the infrastructure for conducting the virtual meeting are already in place.
- (c) In respect of Ms Ainaa Binti Ramli’s inquiry, an analyst from PNB, on the replanting program as the Group’s palm trees age profile appeared relatively high, Mr Au Yong Siew Fah responded that the Group has a replanting program in place and the present yield of the oil palm trees was still relatively high at approximately 24 tonnes of FFB per hectare.
- (d) In relation to the question on measures which had been taken by the Company to protect the estate workers from COVID-19, Mr Au Yong Siew Fah explained that the Group had carried out swab tests, adequately providing necessary personal protective equipment (PPE), tightening movement control and setting up temporary quarantine centre in accordance to the Ministry of Health’s guidelines.
- (e) On page 73 of the Company’s annual report 2020 in relation to the other operating income of RM34.5 million which was higher as compared to the previous year of RM19.7 million, Mr Lee Wee Yong explained that the other operating income was higher mainly attributable to a gain of RM12.9 million from the disposal of eight parcels of agriculture land.
- (f) Reference was made to Note 6 on page 106 of the Company’s annual report 2020 pertaining to the biological asset. As at 31 December 2020, the estimated quantity of unharvested fresh fruit bunches (“FFB”) of the Group included in the fair value of FFB was 88,000 tonnes (2019: 98,000 tonnes). The question raised was on the net gain of RM 8.8 million from the fair value adjustment recognized as profit in FYE 2020. Mr Lee Wee Yong clarified that the net gain was attributed to higher FFB price adopted in the valuation in FYE 2020 despite the estimated FFB volume was lower in FYE 2020 as compared to FYE 2019. The higher FFB price adopted is in tandem with higher MPOB FFB reference price.

Queries from the shareholders

- (g) Mr Tan Hung Chye sought the clarification on the CAPEX of Bukit Mas Palm Oil Mill (“BPOM”) biogas plant and what would be the expected CAPEX for the Tomanggong Palm Oil Mill (“TPOM”) biogas plant. Mr Au Yong Siew Fah replied that the total investment of BPOM biogas plant was RM24 million and for TPOM the CAPEX is expected to be similar. However, the management had decided not to commence the construction of TPOM biogas presently.
- (h) Ms Cheah Yee Leng responded to Mr Ong Kok Pak’s enquiry on publishing all the questions and answers from both the shareholders and Minority Shareholder Watch Group (MSWG) as well as recording of this AGM on the Company’s website. She informed the meeting that the Company did not receive any questions from MSWG and all questions raised by the shareholders and the responses would be uploaded to the Company’s website within 30 business days from this meeting. She added that there was no intention to publish the recorded AGM proceedings on the Company’s website as the AGM is a private event that is limited to shareholders and proxies only.
- (i) Mr Ong Kok Pak inquired whether the board of directors would answer every question raised by the shareholders during the AGM. The chairman responded that the directors would seek to response to all questions and responses would be published on the Company’s website within 30 business days from this AGM.
- (j) Mr Ong Kok Pak enquired whether the Company has a whistle-blowing policy and the number of whistle-blower cases reported in FYE 31 December 2020. The chairman informed the meeting that the Company has a whistle-blowing policy, which is published at the Company’s website and there were no cases reported for FYE 31 December 2020.
- (k) Mr Ong Kok Pak also sought clarification on whether the Company would increase its land bank in FY 2021. Datuk Edward Lee Ming Foo responded that the Group has always been on the lookout for economically viable plantation land for acquisition.
- (l) In respect of Mr Ong Kok Pak’s enquiry on the future planning of the Company whether the Company would diversify or venture into activities such as oleochemical products, biodiesel, biomass, food industries and etc. Datuk Edward Lee Ming Foo mentioned that the board had deliberated on the matter before and the present direction is to remain focus on acquiring more plantation land as business ventures like operating a viable refinery would require a critical mass of at least 200,000 acres of land.
- (m) In response to Ms Ong Chau Ying’s question on why the Company did not pay a final dividend for FYE 31 December 2020 despite having strong profits. Ms Cheah Yee Leng highlighted that the Company opt to declare 2 interim dividends in the interest of the shareholders as the final dividend is subject to shareholders’ approval. She added that for FYE 2020, the Company had paid out approximately 62% of the profit after tax (“PAT”) by way of 2 interim dividends and was consistent with the Company’s policy of paying out approximately 60% of its PAT.



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Date: 24th May 2021

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 24th May 2021

We, GovernAce Advisory & Solutions Sdn. Bhd., as the appointed independent scrutineer in attendance at the Annual General Meeting (AGM) of Hap Seng Plantations Holdings Berhad held on 24th May 2021 have performed the procedures as listed in our letter of engagement dated 1st April 2021.

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.



Independent Scrutineer



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The results of the poll as follows:

Polling Results

RESOLUTION	Vote FOR			Vote AGAINST			TOTAL Vote	
	REC	UNITS	%	REC	UNITS	%	NO. OF	UNITS
Ordinary Resolution 1	126	695,564,667	99.9928	25	50,305	0.0072	151	695,614,972
Ordinary Resolution 2	129	695,768,057	99.9961	23	26,915	0.0039	152	695,794,972
Ordinary Resolution 3	130	695,766,167	99.9959	22	28,805	0.0041	152	695,794,972
Ordinary Resolution 4	128	695,760,667	99.9951	24	34,305	0.0049	152	695,794,972
Ordinary Resolution 5	117	695,557,256	99.9949	32	35,216	0.0051	149	695,592,472
Ordinary Resolution 6	129	695,768,867	99.9966	21	23,505	0.0034	150	695,792,372
Ordinary Resolution 7	123	680,679,303	97.8276	29	15,115,669	2.1724	152	695,794,972
Ordinary Resolution 8	126	216,670,067	99.9855	23	31,505	0.0145	149	216,701,572
Ordinary Resolution 9	132	695,779,702	99.9978	20	15,270	0.0022	152	695,794,972