

HARVEST MIRACLE CAPITAL BERHAD

[Registration No. : 199601010679 (383028-D)]
(Incorporated in Malaysia)

MINUTES OF THE TWENTY-EIGHTH ANNUAL GENERAL MEETING (“**28TH AGM**”) OF THE COMPANY HELD AS A FULLY VIRTUAL MEETING CONDUCTED ENTIRELY THROUGH LIVE STREAMING AND REMOTE VOTING USING THE REMOTE PARTICIPATION AND VOTING FACILITIES HOSTED ON PROPOLL SOLUTIONS E-PORTAL AT [HTTPS://WWW.PROPOLL SOLUTIONS.COM.MY](https://www.propollsolutions.com.my) PROVIDED BY PROPOLL SOLUTIONS SDN. BHD. AT 9-3A, OVAL TOWER @ DAMANSARA, NO. 685, JALAN DAMANSARA, 60000 TTDI, KUALA LUMPUR, WILAYAH PERSEKUTUAN ON THURSDAY, 29 AUGUST 2024 AT 9.30 A.M.

PRESENT

SHAREHOLDERS AND PROXIES

As per attendance list

BOARD OF DIRECTORS

Dato' Liu Han Ming	:	Executive Chairman (<i>via video-conference</i>)
Mr. See Toh Kean Yaw	:	Executive Director
Ms. Sherene Lee Mong Ee	:	Executive Director
Mr. Ling Wee Tak	:	Independent Non-Executive Director
Mr. Chua Ei Ming	:	Independent Non-Executive Director
Ms. Lim Peng Peng	:	Independent Non-Executive Director (<i>via video-conference</i>)

IN ATTENDANCE

Ms. Leong Sue Ching	:	Company Secretary
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BY INVITATION

Mr. Siew Kar Fong	:	Financial Controller
Ms. Elvina Tay	:	Representative of Crowe Malaysia PLT, the External Auditors

1. CHAIRMAN OF MEETING

- 1.1 Mr. See Toh Kean Yaw, duly appointed to chair the AGM, had welcomed all who logged-in in attendance on the live Meeting platform of the 28th AGM of the Company.
- 1.2 The Chairman then introduced the Board of Directors and Auditors to the members present.

2. QUORUM

- 2.1 With the confirmation of the Secretary that a quorum was present at the commencement of the Meeting in the logged-in in attendance on the live Meeting platform pursuant to Clause 91 of the Constitution of the Company, the Chairman declared the meeting duly constituted at 9.30 a.m.

3. NOTICE

- 3.1 The Chairman informed that the 2024 Annual Report of the Company dated 29 July 2024 together with the Notice of the Meeting therein had been circulated to all members and the Notice was advertised in the New Straits Times on the same date.
- 3.2 There being no objection, the notice convening the meeting, having been circulated to all the shareholders of the Company within the statutory period, was taken as read.
- 3.3 The Chairman further encouraged the members present in the logged-in in attendance on the live Meeting platform to submit their questions online using the query box in the RPV platform and if the questions are not answered due to time constraints, the Board of Directors will endeavour to e-mail the answers at earliest possible after the AGM.
- 3.4 The Chairman informed that all 7 Resolutions tabled on the agenda will be decided by way of poll voting via the RPV platform. There will also be a Q&A session held before the poll voting via the RPV platform and the Q&A session shall be held before the poll voting session.
- 3.5 For poll voting, the Chairman announced that the Board had unanimously agreed to appointed Propoll Solutions Sdn. Bhd. ("**Propoll**") as the Poll Administrator to conduct the voting process, and Symphony Corporate Services Sdn. Bhd. ("**Symphony**") as the Independent Scrutineer to validate the votes cast at the Meeting.
- 3.6 Before proceeding with the business of the 28th AGM, the Chairman informed the shareholders/proxyholders that the Company had received a list of questions from the Minority Shareholders Watch Group ("**MSWG**") on 29 August 2024 which he then read out the said questions and the Company's corresponding answers via a PowerPoint slides projected on the screen. Full details of the reply are set out in "**Appendix A**" attached to this Minutes.

4. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

- 4.1 The audited Financial Statements ("**AFS**") for the financial year ended 31 March 2024 with the Reports of the Directors and Auditors thereon, having been circulated to all the shareholders of the Company within the statutory period, were tabled at the Meeting for discussion.
- 4.2 The Chairman explained that the AFS would not require an approval from the shareholders in accordance with Section 340 of the Companies Act 2016 and was meant for discussion only. Hence, this Agenda item was not put forward for voting.

- 4.3 The Chairman then invited comments and/or queries from the shareholders/proxy holders (if any) to be raised by typing the questions in the Q&A platform.

5. RE-ELECTION OF DIRECTORS

- 5.1 The Chairman informed that Director, Dato' Liu Han Ming (Resolution 1), who is due to retire by rotation in accordance with Clause 130 of the Constitution of the Company and being eligible, had offered himself for re-election.
- 5.2 The profiles and attendance records of the retiring Directors standing for re-election were prescribed in the 2024 Annual Report.
- 5.3 The Chairman then went on to read out the next resolution pertaining to the re-election of Ms. Lim Peng Peng and Mr. Chua Ei Ming (Resolutions 2 and 3) who were appointed during the year and due for retirement in accordance with Clause 130 of the Constitution of the Company. Ms. Lim Peng Peng and Mr. Chua Ei Ming had also offered themselves for re-election.
- 5.4 The Chairman put the motion to a vote to be conducted at the end of the meeting via Q&A platform in the RPV facilities and invited the shareholders/proxies to submit questions in typed text during the AGM to be addressed during the Q&A session later.

6. DIRECTORS' FEE (ORDINARY RESOLUTION 4)

- 6.1 The Chairman informed the Meeting that the next resolution was to approve the payment of Directors' Fees up to an aggregate amount of RM750,000.00 for the financial year ending 31 March 2025 which is payable quarterly in arrears.
- 6.2 To observe good corporate governance practice, the Chairman announced that the non-Executive Directors (and their related parties, if any) who are deemed interested in this resolution, has agreed to abstain from voting.
- 6.3 The Chairman then invited the shareholders/proxies to submit questions in typed text during the AGM which would be addressed during the Q&A session later.

7. DIRECTORS' BENEFITS (ORDINARY RESOLUTION 5)

- 7.1 The Meeting proceeded to consider the motion on approval of payment of Directors' benefits up to an aggregate amount of RM50,000.00 from the passing of this resolution until the next Annual General Meeting of the Company.
- 7.2 It was noted that the non-Executive Directors (and their related parties, if any) had declared their interest in this resolution and agreed to abstain from voting.
- 7.3 The Chairman then invited the shareholders/proxy holders to submit questions in typed text during the AGM and to be addressed during the Q&A session later.

8. RE- APPOINTMENT OF AUDITORS (ORDINARY RESOLUTION 6)

- 8.1 The next item on the agenda which concerned the re-appointment of Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration was tabled for approval.
- 8.2 The Chairman then invited the shareholders/proxy holders to submit questions in typed text during the AGM which would be addressed during the Q&A session later.

9. SPECIAL BUSINESS – AUTHORITY TO DIRECTORS TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 (ORDINARY RESOLUTION 7)

- 9.1 The Meeting continued with the consideration on the motion in relation to the authority to directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016. The full text of the proposed Ordinary Resolution 7 as set out in the Notice of the 28th AGM and the same was taken as read.
- 9.2 The Chairman then invited the shareholders/proxy holders to raise questions using the Q&A platform in the RPV Facilities.

10. QUESTION AND ANSWER SESSION

- 10.1 After tabling all the resolutions as set out in the Notice of the AGM, Chairman welcomed questions from the floor and the summary of proceedings were recorded as follows:-
- 10.2 (i) The first question, was posted by several attendees :
- “Will the Board be considering giving the shareholders who attended this AGM a token of appreciation or e-voucher?”
- 10.2.1 *In response, the Chairman clarified that the Administrative Guide, which was issued with the Notice of the AGM, indicated that no door gifts or food vouchers would be provided for this AGM. The Board, however, will consider including these items for the next AGM.*
- 10.3 (ii) Mr. Kian Lang Teh, a shareholder, inquired whether 2024 will be better than 2023 due to new challenges?
- 10.3.1 *The Chairman assured that the Board and Management team are committed to delivering maximum value for our shareholders.*
- 10.4 (iii) Ms. Nur Amirah Amirudin, representative from MSWG, asked how many shareholders attended this virtual meeting?
- 10.4.1 *The Chairman informed that the total number of shareholders according to the logged-in in attendance is 18.*
- 10.5 (iv) Ms. Nur Amirah Amirudin also inquired why the Executive Chairman was not present at the broadcast venue to chair the meeting?

- 10.5.1 *The Chairman (Mr. See Toh KY) explained that Executive Chairman Dato' Liu HM, was unable to attend at the broadcast venue in person due to unforeseen circumstances. Additionally, as Dato' Liu HM is scheduled to retire this year, Mr. See Toh KY has stepped in to chair this meeting to ensure its smooth conduct.*
- 10.6 There, being no further questions, the Chairman thanked the members present for their questions and declared that the Q&A session closed.

11. VOTING SESSION

- 11.1 At 10.02 a.m., the Chairman announced the commencement of poll voting session after completion of the deliberation of all items transacted at the AGM. He then invited Propoll to explain the procedures for polling on the screen.
- 11.2 The Chairman then announced that the Meeting was adjourned at 10.07 a.m. for the poll vote count and shall resume after 20 minutes for the declaration of poll results in respect of Ordinary Resolutions 1 through 7. The results of the poll shall be verified by the Scrutineers, Symphony Corporate Services Sdn. Bhd..

12. ANNOUNCEMENT OF POLL RESULTS

- 12.1 Upon completion of the counting of the votes, the Chairman called the meeting to order at 10.20 a.m. for declaration of results of the poll. The poll voting results are attached as '**Appendix 3**'. Based on the poll results verified by the Scrutineers, the Chairman declared all resolutions tabled at the 28th AGM as carried.
- 12.2 (i) Re-election of Dato' Liu Han Ming in accordance with Clause 131 of the Constitution of the Company (*Resolution 1*)
- 12.2.1 Mr. Chairman announced the poll results in respect of Resolution 1 which was carried as follows:-

Resolution	FOR			AGAINST		
	No. of shareholders	No. of shares	%	No. of shareholders	No. of shares	%
Ordinary Resolution	355,873,929	31	99.990660	33,243	7	0.009340

- 12.2.2 Mr. Chairman declared that **Resolution 1** was duly passed as follows :-
- 12.2.3 "THAT Dato' Liu Han Ming who retired by rotation in accordance with Clause 131 of the Constitution of the Company, be hereby re-elected as Director of the Company."
- 12.3 (ii) Re-election of Ms. Lim Peng Peng in accordance with Clause 130 of the Constitution of the Company (*Resolution 2*)

12.3.1 Mr. Chairman announced the poll results in respect of Resolution 2 which was carried as follows:-

Resolution	FOR			AGAINST		
	No. of shareholders	No. of shares	%	No. of shareholders	No. of shares	%
Ordinary Resolution	355,873,929	31	99.996279	6	13,243	0.003721

12.3.2 Mr. Chairman declared that **Resolution 2** was duly passed as follows :-

12.3.3 “THAT Ms. Lim Peng Peng who retired by rotation in accordance with Clause 130 of the Constitution of the Company, be hereby re-elected as Director of the Company.”

12.4 (iii) Re-election of Mr. Chua Ei Ming in accordance with Clause 130 of the Constitution of the Company (*Resolution 3*)

12.4.1 Mr. Chairman announced the poll results in respect of Resolution 3 which was carried as follows:-

Resolution	FOR			AGAINST		
	No. of shareholders	No. of shares	%	No. of shareholders	No. of shares	%
Ordinary Resolution	355,873,929	31	99.990660	33,243	7	0.009340

12.4.2 Mr. Chairman declared that **Resolution 3** was duly passed as follows :-

12.4.3 “THAT Mr. Chua Ei Ming who was appointed during the year and due for retirement in accordance with Clause 130 of the Constitution of the Company, be hereby re-elected as Director of the Company.”

12.5 (iv) Directors’ fees for the financial year ending 31 March 2024 (*Resolution 4*)

12.5.1 Mr. Chairman announced the poll results in respect of Resolution 4 which was carried as follows:-

Resolution	FOR			AGAINST		
	No. of shareholders	No. of shares	%	No. of shareholders	No. of shares	%
Ordinary Resolution	331,228,954	27	99.989550	34,618	10	0.010450

12.5.2 Mr. Chairman declared that **Resolution 4** was duly passed as follows :-

12.5.3 “THAT the payment of Directors’ fees up to an aggregate amount of RM750,000 for the financial year ending 31 March 2025 which is payable quarterly in arrears be hereby approved.”

- 12.6 (v) Directors' benefits up to an aggregate amount of RM50,000 from the passing of this resolution until the next Annual General Meeting of the Company (*Resolution 5*)

- 12.6.1 Mr. Chairman announced the poll results in respect of Resolution 5 which was carried as follows:-

Resolution	FOR			AGAINST		
	No. of shareholders	No. of shares	%	No. of shareholders	No. of shares	%
Ordinary Resolution	331,228,714	26	99.989477	34,858	11	0.010523

- 12.6.2 Mr. Chairman declared that **Resolution 5** was duly passed as follows :-

- 12.6.3 "THAT the payment of Directors' benefits up to an amount of RM50,000 from the passing of this resolution until the next Annual General Meeting of the Company be hereby approved."

- 12.7 (vi) Re-appointment of Auditors (*Resolution 6*)

- 12.7.1 Mr. Chairman announced the poll results in respect of Resolution 6 which was carried as follows:-

Resolution	FOR			AGAINST		
	No. of shareholders	No. of shares	%	No. of shareholders	No. of shares	%
Ordinary Resolution	355,873,931	32	99.996279	13,241	5	0.003721

- 12.7.2 Mr. Chairman declared that **Resolution 6** was duly passed as follows :-

- 12.7.3 "THAT the re-appointment of Crowe Malaysia PLT as Auditors of the Company for the financial year ending 31 March 2024 and authorisation to the Board of Directors to determine their remuneration be hereby approved."

- 12.8 (vii) Special Business – Proposed 10% General Mandate (*Resolution 7*)

- 12.8.1 Mr. Chairman announced the poll results in respect of Resolution 7 which was carried as follows:-

Resolution	FOR			AGAINST		
	No. of shareholders	No. of shares	%	No. of shareholders	No. of shares	%
Ordinary Resolution	355,893,902	30	99.996271	13,270	8	0.003729

12.8.2 Mr. Chairman declared that **Resolution 7** was duly passed as follows :-

12.8.3 THAT, subject always to the Companies Act 2016, the Company's Constitution, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**AMLR**") and the approval of any relevant governmental and/or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Companies Act 2016 to:

1. allot shares in the Company; and/or
2. grant rights to subscribe for shares in the Company; and/or
3. convert any security into shares in the Company; and/or
4. allot shares under an agreement or option or offer,

("Proposed 10% General Mandate").

at any time and from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that it does not exceed 10% of the total number of issued shares of the Company as prescribed by the AMLR at the time of issuance of shares and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, and such authority under this resolution shall continue to be in force until the conclusion of the next Annual General Meeting (AGM) of the Company or when it is required by law to be held, whichever is earlier, AND THAT:

- (a) approval and authority be and are given to the Directors of the Company to take all such actions that may be necessary and/or desirable to give effect to this resolution and in connection therewith to enter into and execute on behalf of the Company any instrument, agreement and/or arrangement with any person, and in all cases with full power to assent to any condition, modification, variation and/or amendment (if any) in connection therewith; and
- (b) the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Berhad.

AND THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 14 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new shares, options over or grants of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities, such new shares when issued, to rank pari passu with existing issued shares in the Company."

13. CONCLUSION

13.1 There being no other notice received to transact any other business (as confirmed by the Company Secretary), the Chairman expressed gratitude to all members for their continued support and for taking time to attend the 28th AGM of the Company.

13.2 The Meeting terminated at 10.22 a.m. with a vote of thanks to the Chair.

CONFIRMED AS A CORRECT RECORD

CHAIRMAN

Dated:



Harvest Miracle Capital Berhad

29 August 2024

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD
Level 23, Unit 23-2, Menara AIA Sentral,
No 30, Jalan Sultan Ismail,
50250 Kuala Lumpur.

Attn: Nur Amirah Amirudin
Manager, Corporate Monitoring

Dear Sir,

RE: 28th Annual General Meeting (AGM) of Harvest Miracle Capital Berhad (“HMCB” or “the Group”) to be held on Tuesday, 29th August 2023

With reference to your letter dated 23 August 2024, we are pleased to answer the points that you had raised in the interest of minority shareholders and all other stakeholders of the Group.

Operational & Financial Matters

1. The IT and ICT division contributed 87.7% of the Group's revenue, down from 95% in the previous financial year. Meanwhile, efforts to diversify led to improved contributions from other divisions, rising from RM6.7 million to RM11.1 million in FYE2024 (page 11 of Annual Report 2024).
 - a) Below is a summary of the IT and ICT Division performance (pages 106-112 of AR2024).

IT and ICT Division (RM)	2023	2024
Revenue	126,110,596	79,399,764
Profit Before Tax	-872,924	267,785

- i. What is the current volume of orders for IT and ICT products? Is there a backlog of orders, and if so, what is the expected timeline for fulfilment? Which specific product categories (hardware, software, accessories) are seeing the highest demand?

HMCB reply:

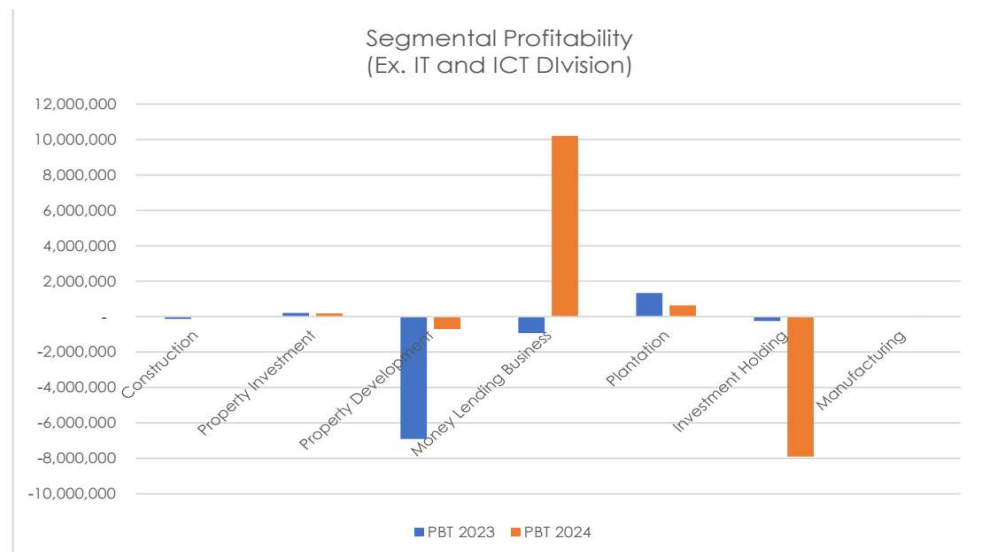
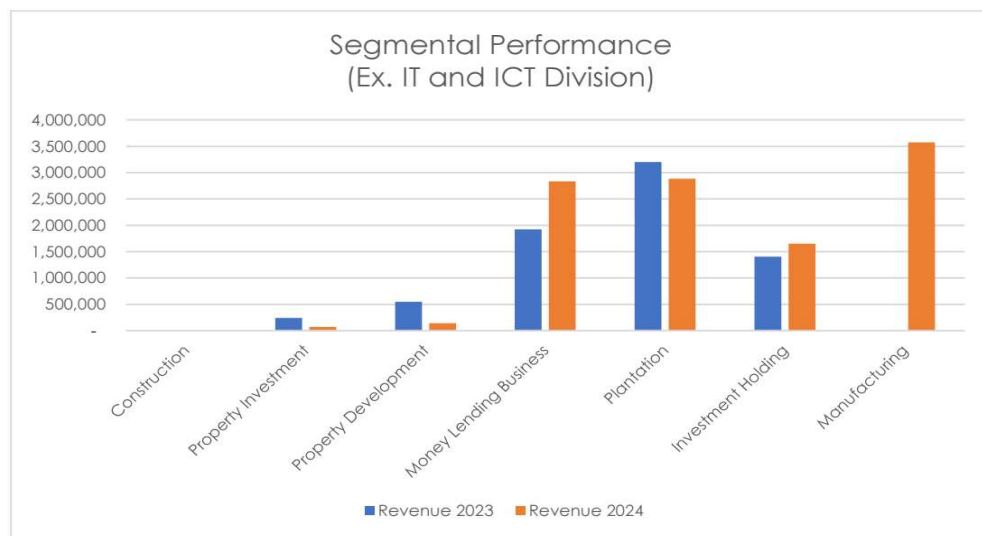
- Sales for IT and ICT division was RM20.9 million for 1st quarter ended 30 June 2024. There isn't any backlog order. The most popular products from the division are DIY products (hardware, processor, motherboard, RAM, casing, etc) which contributed to more than 50% of the division revenue.

- ii. What successes did the Group achieve from the discussions with the brand owner regarding a more sustainable rebate mechanism? Can we expect the profitability of this segment to be sustainable?

HMCB reply:

- The rebate mechanism generally remained the same as compared to previous financial year. Generally, higher commitment on the sales will result in higher rebate for the division which lower the overall cost of sales and thus, higher profit. Management is optimistic with the rebound of revenue during 1st quarter of financial year 2025 and hopeful on the trend to continue for positive contribution in future.

- b) Below are the summaries of the segmental performance in terms of revenue and profit after tax (excluding IT and ICT Division) (pages 106-112 of AR2024).



- i. There has been no order book for the construction division upon the completion of the warehouse construction project by Tristar Union Sdn Bhd in 2019 (page 15 of AR2019).

Are there still staff in the construction division causing it to incur losses despite no sales for nearly five years? What does the loss before tax of RM7,865 include? Will there be further costs for this segment next year despite no order book? What are the Group's plans for this division?

HMCB reply:

- No more staff engaged for construction division. The profit before tax of RM7.8k was audit fee, tax agent fee and company secretary fee. We expect similar cost to incur for next financial year which these are the statutory cost to incur for a dormant company.
- The Group will assess and continue look for opportunity which can contribute positively to the Group.

- ii. The rental services from the property investment division dropped significantly from RM240,721 in FYE2023 to RM67,543 in FYE2024. What caused this decline? Does this rental service solely refer to Antara Genting?

On April 28, 2022, the Group acquired 187 serviced apartments of Antara Genting on various levels in Tower A for RM246.35 million. What is the current occupancy rate? How many units are intended for sale?

HMCB reply:

- The Group disposed most of the investment properties during FY2023, thus during FY2024, there is only 1 investment property contributing the rental income to the Group.
- The Antara Genting project is still under construction and expected to be completed by 1st quarter of year 2025. The Group will rely on the assessment after completion of Antara Genting before deciding on whether to generate income through renting or selling the units.

- iii. Plantation division performance in terms of sales dropped from RM3.2 million in FYE2023 to RM2.9 million in FYE2024. Have the Group fully utilised the balance of 383 acres of vacant land? Despite the stabilisation of the CPO prices, what was the primary factor for the drop in sales?

HMCB reply:

- The Group had replanted 231 acres of the vacant land during FYE 2024. There are 152 acres remained vacant.

- During FY2023, the plantation division was still benefiting from high CPO prices which stood at RM6.8k and gradually dropped to RM4.1k in Mar 2023.
 - During FY2024, as correctly pointed out by MSWG, the CPO prices are stabilised at the range of RM3.5k to RM4.2k. However as compared to FY2023, the average CPO price dropped and this is the main contributor to the decline in revenue.
2. There is a huge reversal of impairment losses on trade receivables amounted RM8.5 million in FYE2024 (page 54 of AR2024).

What factors contributed to this significant reversal?

HMCB reply:

- The impairment losses arose from debtor from the money lending division. During FY2024, the debtor had fully repaid all the outstanding and thus, reversal of the impairment losses was made.
3. The Group's trade receivables that were past due more than 1 year have significantly increased to RM346,193 in FYE2024 from RM3,671 in FYE2023 (pages 117-118 of AR2024).

- a) What difficulties did the Group face in recovering trade receivables that were more than one year overdue, especially with the notable rise in the outstanding amount?

HMCB reply:

- The overdue more than 1-year debtors are mainly attributable by the money lending division, which the recoverability of the amount owing is secured by land.
- b) What are the profiles of the customers who contributed to the trade receivables that were overdue for more than one year during FYE2023 for the Group?

HMCB reply:

- The customers are individual customers and company under moneylending division as well as customer from IT and ICT division which had been supporting the Group for many years.
- c) How much of the total overdue amount has the Group collected up to now?

HMCB reply:

- Total collected amount up to 22 August 2024 was RM36k.

Sustainability Matters

1. ACE Market-listed corporations are required to adopt the enhanced sustainability disclosures on a staggered basis, as such, disclosure of the common sustainability matters and indicators taking effect for FYE on or after 31 December 2025.

Has the Group started its initiative to gather data for the enhanced sustainability reporting framework despite not falling within this reporting cycle?

HMCB reply:

- The Group has engaged a consultant for guidance and to ensure the compliance to the reporting by next financial year.

Corporate Governance Matters

1. Practice 4.4 of the Malaysian Code of Corporate Governance (MCCG) states that the performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities

Despite the Board's discussions on adopting and implementing ESG issues since the 27th AGM, the Group has not yet incorporated these issues into the performance evaluations of the Board and senior management during the financial year under review (page 16 of the Corporate Governance Report 2024).

- a) Why has the Board not included ESG issues in the performance evaluations of the Board and senior management? What obstacles or challenges have prevented the integration of ESG issues into performance evaluations? Please provide a timeline for when ESG issues will be included in the performance evaluation.

HMCB reply:

- The Board intends to integrate the ESG issue into performance evaluation in FY2025.

- b) What steps are being taken to ensure that the Board and senior management are adequately trained and aware of ESG issues?

HMCB reply:

- Executive directors and senior management attended seminar, briefing, updates related to ESG matters.

Thank you.

Your Sincerely,

For and on behalf of

HARVEST MIRACLE CAPITAL BERHAD

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(199601010679 / 383028-D)

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