



**Property**

**SIME DARBY PROPERTY BERHAD**

Registration No. 197301002148 (15631-P)  
(Incorporated in Malaysia)

**MINUTES OF THE FIFTIETH ANNUAL GENERAL MEETING (“50TH AGM”) OF SIME DARBY PROPERTY BERHAD (“SIME DARBY PROPERTY” OR “THE COMPANY”) HELD AT THE BROADCAST VENUE AT BANQUET HALL, 1ST FLOOR, MAIN LOBBY, KUALA LUMPUR GOLF & COUNTRY CLUB (“KLGCC”), NO. 10, JALAN 1/70D, OFF JALAN BUKIT KIARA, 60000 KUALA LUMPUR, MALAYSIA ON WEDNESDAY, 24 MAY 2023 AT 9.30 A.M.**

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- BOARD OF DIRECTORS** : Mr Rizal Rickman Ramli (*Chairman*)  
YBhg Dato’ Azmir Merican  
YBhg Dato’ Soam Heng Choon\*  
YAM Tengku Datuk Seri Ahmad Shah Alhaj ibni  
Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj  
YBhg Dato’ Jaganath Derek Steven Sabapathy  
YBhg Dato’ Seri Ahmad Johan Mohammad Raslan  
YBhg Datin Norazah Mohamed Razali  
Mr Mohamed Ridza Mohamed Abdulla  
YBhg Dato’ Hamidah Naziadin  
Dr Lisa Lim Poh Lin
- GROUP COMPANY SECRETARY** : Ms Noreen Melini Muzamli
- EXTERNAL AUDITORS** : Ms Nurul A’in Abdul Latif  
(*Deputy Executive Chair and Assurance Partner, PricewaterhouseCoopers PLT*)  
Mr Mahesh Ramesh  
(*Partner, PricewaterhouseCoopers PLT*)
- SENIOR MANAGEMENT** : As per the Attendance List
- SHAREHOLDERS / CORPORATE REPRESENTATIVES / PROXIES** : *Participating via Remote Participation and Voting (“RPV”) facilities at the TIIH Online website*  
As per the Summary of Attendance List
- SCRUTINEERS** : Mr Chuah Poo Sian  
(*Partner, Coopers Professional Scrutineers Sdn Bhd*)

*\*Attendance via videoconferencing*

## **1.0 CHAIRMAN'S OPENING REMARKS**

- 1.1 The Chairman, on behalf of the Board and Management, welcomed the shareholders to the 50th AGM of Sime Darby Property and thanked them for their participation and continued support to the Company.
- 1.2 The Chairman informed the shareholders that the Group Company Secretary had confirmed the presence of a requisite quorum pursuant to the Company's Constitution. The Notice of the 50th AGM dated 20 April 2023, which was issued in accordance with the Company's Constitution, was taken as read. The Chairman then called the Meeting to order at 9.30 a.m.
- 1.3 The Chairman briefed the shareholders as follows :
- 1) Although Malaysia had transitioned to an endemic phase, the Coronavirus Disease 2019 ("COVID-19") pandemic remained a concern. Therefore, to ensure the safety of all attendees and parties involved in the AGM, the Board decided to continue leveraging on technology by conducting the 50th AGM on a fully virtual basis, as per the last three years.
  - 2) The holding of the virtual AGM was in line with the provisions of the Companies Act 2016, the Company's Constitution and the latest Securities Commission Malaysia's Guidance on the Conduct of General Meetings for Listed Issuers updated as at 7 April 2022.
  - 3) 2022 was a year that held a number of notable milestones for Sime Darby Property, which included the 50th anniversary celebration and the solid operational and financial results of the Group. This was the highest ever post-2017 demerger operating profit of RM487.8 million and sales achievement of RM3.7 billion, surpassing the RM2.6 billion sales target.
  - 4) The Group made strong and significant progress in the second year of its transformation journey towards becoming a sustainable real estate company. This included the continued progress in enhancing sustainability as a hallmark in everything the Group did, with a reinforced commitment to creating a positive environmental, social and governance ("ESG") impact.
  - 5) The agility, perseverance, and clearly established building blocks would create value for the Group going forward. The numerous international and local awards garnered in 2022 were also a testament to the high standards and quality that the Group upheld in serving its stakeholders and customers.
  - 6) The Group was cognisant of the global events such as geopolitical uncertainties and the sharp rise in interest rates to curb escalating inflation, as well as its repercussions to the property sector that may slow down in tandem. Along with normalising material costs and availability of foreign labour in the second half of the year, the property market was expected to remain steady overall in 2023, with indications that demand for landed residential and industrial products would continue to be robust.
  - 7) Sime Darby Property was guided by its SHIFT25 strategy by building on and strengthening the Property Development business while diversifying its business into more value-enhancing areas. The Group had confidence in its financial strength to deliver on these and the skill set to do so exceptionally well.

- 8) On behalf of the Board, the Chairman extended his deepest appreciation to the people at Sime Darby Property for their hard work and contributions in 2022 that have enabled the Group to chart new milestones, albeit the challenging circumstances.
- 1.4 Next, the Chairman introduced the Board Members present at the Broadcast Venue and participated via video conferencing. The Chairman also introduced the Group Company Secretary, Senior Management Team and representatives from PricewaterhouseCoopers PLT, Auditors of the Company who were also present at the Broadcast Venue.
- 1.5 The Chairman informed the shareholders that the information on the Company, its activities, results and financial position as at 31 December 2022 were set out in the Annual Report 2022 issued electronically on 20 April 2023.
- 1.6 The Chairman proceeded to brief the shareholders on the following :
- 1) As at 15 May 2023, the Company had 27,189 depositors and the total number of issued shares was 6,800,839,377.
  - 2) Based on the registration data given by the Company's Share Registrar as at 9.30 a.m. on 22 May 2023, 1,268 members had registered to attend the 50th AGM through the RPV facilities. They represented 1,474,415,766 ordinary shares, which constituted 21.68% of the Company's total issued shares.
  - 3) In accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), all proposed resolutions set out in the Notice of the 50th AGM would be voted on by way of a poll.
  - 4) There were six (6) Ordinary Resolutions to be voted at the 50th AGM, as set out in the Notice of the 50th AGM, each would require a simple majority vote in order for it to be passed.
  - 5) The Company had appointed Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") as Poll Administrator to conduct the poll by way of electronic voting ("e-voting") using the RPV facilities and Coopers Professional Scrutineers Sdn Bhd as Independent Scrutineers to validate the poll results.
  - 6) Two of the Company's employees namely, Ms Linda Thien Bit Sin and Mr Yeoh Wei Ling, who were also shareholders of the Company, had offered themselves to be the Proposer and Seconder for the proposed resolutions on the Agenda. Therefore, all resolutions tabled at the 50th AGM have been duly proposed and seconded.
- 1.7 The Chairman informed the shareholders that they may submit their votes at any time, from the commencement of the 50th AGM at 9.30 a.m. until the announcement of the end of the voting session. A video was then presented to the shareholders on the e-voting procedures.
- 1.8 The Chairman thereafter invited the Group Managing Director ("GMD"), Dato' Azmir Merican, to provide a brief presentation on the Company's financial performance and business.

## **2.0 PRESENTATION BY THE GMD AND RESPONSE TO ISSUES RAISED BY THE MINORITY SHAREHOLDERS WATCH GROUP**

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2.1 The GMD thanked the Chairman, welcomed all shareholders present and proceeded to brief the Meeting, which covered the following as per **Appendix 1** of the Minutes :

- 1) 2022 at a Glance
- 2) Financial Performance and Operational Highlights of Financial Year (“FY”) 2022
- 3) Battersea Power Station (“BPS”)
- 4) Sustainability Highlights
- 5) Market and Sector Outlook
- 6) Strategy Moving Forward

Upon the conclusion of the GMD’s presentation, the Chairman informed the shareholders present that the Company had received a letter from the Minority Shareholders Watch Group (“MSWG”) dated 10 May 2023, which sought clarification on several issues in relation to the Annual Report 2022. The reply letter dated 23 May 2023 had been uploaded to the Group’s website.

The Chairman invited the Group Chief Financial Officer (“GCFO”) to read out the questions raised by MSWG and the Company’s responses thereto, for the benefit of those present at the Meeting.

2.2 The GCFO thanked the Chairman and proceeded to brief the shareholders on the questions raised by MSWG and the Company’s responses to the same, as per **Appendix 2** of the Minutes.

## **3.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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3.1 The Chairman thanked the GCFO and informed the Meeting that the first item on the Agenda was to receive the Audited Financial Statements for the financial year ended 31 December 2022 and the Reports of the Directors and the Auditors thereon (“AFS”).

3.2 The Chairman further informed the Meeting that as stated in the Notice of the 50th AGM, the AFS would not be put forward for voting. This was in line with Section 340(1)(a) of the Companies Act 2016, which only required the AFS to be laid before the shareholders. The AFS was provided in the Annual Report 2022 from pages 216 to 345, followed by the Independent Auditors’ Report on pages 223 to 230.

3.3 The Chairman then invited the GMD to read out the questions received from the shareholders in advance and the live questions received.

3.4 The GMD informed the Meeting that the Company had received several questions/ comments/ suggestions from the shareholders via the RPV facilities. The questions/ comments/ suggestions were then read and responded to by the GMD on behalf of the Board / Management, as follows :

- 1) Question from Mr Teh Peng Tin (Shareholder)
  - i) How much did the Company spend for virtual AGM?

Response :

*The cost of the virtual AGM is RM264,000.*

- ii) Would the Board give e-wallet as a token of appreciation for taking the time and effort to participate in the AGM?

Response :

*The GMD informed that there will be no distribution of door gift(s) or food voucher(s) to shareholders or proxies who participated in the AGM. The Group is committed towards maximising shareholders' returns via payment of dividends, while taking into consideration funding requirements for growth and transformation plans.*

*This is aligned with the practice adopted by many other public listed companies that are committed to reward its shareholders through payment of dividends.*

*Similar questions received in relation to door gift will not be addressed as this has been explained earlier. This would also allow more time for the Company to respond to other questions raised by shareholders.*

- iii) Request for printed copy of the Annual Report 2022.

Response :

*The request for printed copy of the Annual Report 2022 was duly noted and will be sent accordingly. This also applies to similar requests received during the meeting.*

2) Question from Mr Ong Leong Huat (Shareholder)

Fair value loss of RM51.6 million in investment property and a RM12.8 million loss in lease modification recorded in FY2022.

- i) Please identify those properties.

Response :

*The fair value loss was mainly attributed a retail building that is currently under construction and is primarily due to a decrease in value as assessed by independent external valuers, as part of the annual valuation exercise for investment properties. It will be positioned as a food and beverage centric and lifestyle retail park to cater the surrounding township and commence operations in end 2024.*

*The loss on lease modification was recognised as a result of early termination of the lease agreement for the Group's investment properties in Singapore. The lease agreement was terminated earlier than the original lease term.*

- ii) Please explain the substantial RM71.6 million loss recorded by 60% subsidiary, Sime Darby Brunfield Holding Sdn Bhd ("SDBH") in FY2022. Which project or building accounted for the said loss?

Response :

*SDBH recorded a loss of RM71.6 million mainly attributable to fair value loss of a retail building that is currently under construction and finance cost in relation to long term investment asset*

3) Question from Mr Tan Keng Chok (Shareholder)

Besides the 10% discount for house purchases under the “Home Ownership Campaign”, a joint effort by the Government and Real Estate & Housing Developers’ Association (“REHDA”), are there any further discounts/incentives that can be given to purchasers who are shareholders of Sime Darby Property?

Response :

*There are no further discounts for shareholders. However, the Group has attractive campaigns and launches offering good discounts and rebates. Shareholders who are the Company’s prime members are entitled to enjoy an additional discount of up to 10% off the properties.*

4) Question from Mr Ong Leong Huat (Shareholder)

BPS reported a loss of RM52.8 million in FY2022 despite recording its highest-ever revenue of RM5.48 billion.

- i) Please explain the reason for the loss.
- ii) How much of the revenue is attributed to the sale of Phase 2 Commercial Assets within the Power Station Building to Permodalan Nasional Berhad (“PNB”) – Employees’ Provident Fund (“EPF”)?
- iii) When can we expect BPS to turn profitable?

Response :

*The losses are largely attributed to the cost of financing as there was debt assumed for the land and construction costs; the finance costs were charged out upon the practical completion of Phase 2 and Phase 3. BPS also incurred significant marketing expenses in conjunction with the opening of the Power Station. However, the loss was partially offset by the revaluation gain from Phase 1 investment properties.*

*There is no construction revenue attributed to Phase 2 commercial assets as construction revenue had been fully recognised in FY2021. The revenue in FY2022 mainly derived from the residential sales of Phase 2 and Phase 3. Sime Darby Property takes a long-term view on its investment in BPS. The BPS management will focus on ensuring that the remaining future phases are profitable, able to drive the momentum and have successful launches.*

5) Question from Mr Hiu Chee Keong (Shareholder)

How does minimum wage affect the company?

Response :

*The minimum wage of RM1,500 does not affect the company as Sime Darby Property have set a minimum monthly salary of RM2,400 per employee.*

6) Question from Mr Tan Keng Chok (Shareholder)

What are the strategies adopted by Sime Darby Property Berhad/ Board/ Management to enhance the sales especially in Selangor and Kuala Lumpur region in view of property overhang? There are many unsold units due to poor demand and oversupply.

Response :

*The GMD assured the shareholders that Sime Darby Property do not have property overhang issue with the robust planning in place and good understanding of our consumers and products. Prior to any launch, supply and demand are analysed, and we deliver products that meet the needs of our customers. Evidently, good sales were recorded in FY2022 with take-up rates about 90% for residential products.*

7) Question from Mr Lim San Kim (Shareholder)

Why hold the AGM at KLGCC instead of our own building as virtual meeting does not require a big space?

Response :

*The GMD clarified that a large space is required for the virtual AGM to cater the presence of Directors and Senior Management, as well as support crew to set up the facilities. As KLGCC is owned by Sime Darby Property, he assured that the cost is kept at a minimum.*

8) Question from Ms Leong Swee Han (Shareholder)

I am pleased to note that the Company is an established property developer, with a track record of over 50 years and 14,700 acres of landbank, with Gross Development Value ("GDV") of RM103 billion. We are also fortunate to have experienced Board members with deep expertise and executive leadership with proven track record. Despite these positive attributes, our share price dropped from RM1.78 (2017) to RM0.40 (2022) and market capitalisation declined by 75% (from RM12.1 billion to RM3.06 billion).

Response :

*The GMD highlighted that Sime Darby Property's share price declined in tandem with its listed peers as the overall sentiment for property development has declined compared to the prior years. Amongst the challenges that arise from the COVID-19 pandemic, are labour shortage and increased construction cost which resulted in margin compression for all new product launches. Although Sime Darby Property is performing well, based on the analyst briefings conducted, the overall sentiment towards the property industry remains moderate. In addition, Sime Darby Property also has liquidity issue as we are no longer part of FTSE Bursa Malaysia Mid 70 Index ("FBM70"). Hence, it is key for the Company to drive more liquidity as we will have more invested interest with better liquidity. Nevertheless, Management will continue to do their best to address this from different angles taking cognisance of the many factors affecting liquidity, including shareholding and tradability of the stock.*

*The Chairman added that whilst the outcome of share price is beyond the Company's control, the Board would ensure that proper controls are in place to create positive outcomes, such as follows:*

- i) The Company will "sweat" its balance sheet a bit harder, i.e. cautious on new land acquisitions and strive to accelerate activation of existing landbanks.*
- ii) Prudent in underwriting new projects and how new projects are launched, i.e. the Company will not proceed with a project that has certain difficulties, in order to achieve the higher end of what the market expects from Revised Net Asset Value ("RNAV") per share.*

- iii) *Evolve the business model with higher Return on Equity (“ROE”) business by creating a fund business in investment asset management, as funds are valued at a multiple of earnings and not at discounted book. This business model was adopted by developers worldwide and he cited an example of a real estate company that had recently took private its development arm and listed its investment management arm as this was of value to investors.*
- iv) *Strengthening the Group’s ESG performance. The Board believes that ESG will be a significant value differentiator in the future, whereby companies with strong ESG credentials, good labour practices and treat their employees well will be rewarded by the market. Investors accord premium to such companies in the overseas market and Malaysia is expected to follow the same trend in the future.*

*Taking cognisance of the current discount on share price, the Board and Management endeavour to undertake value driver initiatives and capitalise on such opportunities.*

9) Questions from Mr Ong Leong Huat (Shareholder)

- i) The sale of Phase 2 Commercial Component to PNB-EPF came with a five-year guarantee of 5% per annum to the purchaser. Based on the tenancies we have achieved, are we able to fulfill the said obligation?

Response :

*Based on current projections, the five-year guarantee will be fulfilled. Given the recent commencement of operation with less than one full year of operation since the opening of Power Station, rental yield will improve over time.*

- ii) What are the latest take-up rates for the 256 apartments in Phase 2 and the 540 apartments and 26 retail units in Phase 3A of The Electric Boulevard? Also, what is our plan for the newly completed 164 rooms hotel? Do we plan to sell or lease it to other hotel operator?

Response :

*As at 31 March 2023, 92% of residential units at Phase 2 are sold, 94% of residential units at Phase 3A are sold with 85% of the commercial units have been leased out.*

*The hotel has been sold to an investor and is currently operated by Art’Otel, which was officially launched in February 2023. The hotel was designed by an award-winning Spanish artist and interior designer.*

10) Questions from Ms Koh Chooi Peng (Shareholder)

BPS joint venture made a capital repayment of RM1.214 billion in FY2022.

- i) How much of the capital repayment was received by Sime Darby Property?

Response :

*The amount repatriated to shareholders was GBP225 million, of which GBP90 million (RM485.8 million) is Sime Darby Property’s portion.*



- ii) What is the reason for Battersea to make a capital repayment instead of declaring a dividend payout?

Response :

*Capital repayment is the preferred route to return excess funds to shareholders. BPS may consider declaring dividend when it is profit generating in the future.*

- 11) Questions from Ms Lau Kuee Chin (Shareholder)

Why is the share price not performing?

Response :

*This has been explained in the earlier question item no. 8 above.*

- 12) Questions from Mr Muhammad Zaim Farhan Mohd Ridzuan (Shareholder)

Are the Board of Directors being paid to attend this AGM?

Response :

*No, there is no meeting allowance for the Directors to attend the AGM, as per past practices.*

- 13) Questions from Mr Muhammad Ammar Mohd Imra (Shareholder)

Are there any future development in Kapar, Selangor area?

Response :

*Yes, Sime Darby Property will be seeking its shareholders' approval for the 949-acre land acquisition of Sungai Kapar at the Extraordinary General Meeting ("EGM") today. The land, which will be part of our flagship Bandar Bukit Raja township, will be positioned as high value ESG focused industrial development to achieve higher GDV and recurring income.*

- 14) Questions from Ms Chea Ah Chun (Shareholder)

How much profit achieved this year and when will Sime Darby Property pay dividend?

Response :

*In FY2022, the Group has achieved its highest ever operating profit of RM487.8 million since the de-merger in 2017. Profit After Tax and Minority Interest ("PATAMI") was recorded at RM315.8 million. The Group has declared a total of 2.0 sen dividend for the year ended 2022. The second single tier dividend of 1.0 sen per ordinary share was paid on 28 March 2023.*

3.5 The GMD further informed the Meeting that the Company had received several questions from the shareholders in advance. He then read the questions and responded to them on behalf of the Board and Management, as follows :

- 1) Questions from Mr Hiu Chee Keong (Shareholder)

Does minimum wage and Cukai Makmur affect the Group?

Response :

*As responded in a similar question earlier, the minimum wage does not directly affect the Group since the minimum salary for Group was set at RM2,400 per month.*

*For year of assessment 2022, the Cukai Makmur is applicable for companies within the Group with chargeable income in excess of RM100 million, whereby chargeable income for the first RM100 million is taxed at 24% and the portion of chargeable income in excess of RM100 million is taxed at 33%. As a result of Cukai Makmur, an additional RM8.5 million in tax expenses was recognised.*

2) Question from Mr Wong Hon Sun (Shareholder)

Any exciting business plan this year?

Response :

*Sime Darby Property will stand guided by its SHIFT25 strategy by further building on the Property Development business while continuing to diversify our product mix. The Group will continue to introduce products that resonate with market demand to maintain sustainable earnings visibility.*

*Beyond Property Development, the Group was seeking to grow its Investment and Asset Management business segment through the generation of recurring income contribution to the Group.*

*The Group will continue to enhance its placemaking efforts and developing catalytic assets such as retail, commercial, industrial and hospitality to uplift the value of its townships and their surrounding developments, while also accelerating land monetisation strategy.*

3) Question from Mr Teo Cher Ming (Shareholder)

- i) Is there any progress on the covered walkway linking KL East Mall and Light Rail Transit (“LRT”) Gombak?

Response :

*The covered walkway linking KL East Mall to Gombak Integrated Transport Terminal (“GITT”) was completed in July 2022 and has already been used by the public.*

- ii) *KL East Park is a new park opened in February 2023 however according to the Frequently Asked Questions (“FAQ”) an entry fee will be imposed come 1 September 2023. Why can't the Company continue to sponsor the maintenance and upkeep of this park as a gift to the society and in line with ESG efforts?*

Response :

*KL East Park was officially opened to the public on 18 February 2023. It requires general upkeep such as cleaning, landscaping and administration. Hence, a small fee will be levied to help supplement the park's upkeep and ensure long term conservation of the park's flora and fauna.*

- iii) Page 81 of AR mentioned at least 4,115 affordable homes are targeted to be launched in FY2023. Can Management provide a breakdown where these would be located or township/ area?

Response :

*The 4,115 affordable homes mentioned in the Annual Report is the actual cumulative units from year 2020 to 2022. Approximately 65% of the launches in the last three years was in Putra Heights, while the remaining launches were spread between Bandar Bukit Raja, Serenia City, Bandar Ainsdale and Nilai Impian.*

*Based on our current planning, we target to launch approximately 1,000 units of affordable homes in 2023 in areas of Putra Heights and Serenia City. To date, we have launched Serasi Residences in Putra Heights with units priced below RM600,000 and strategically located within a Transit-Oriented Development (“TOD”). It is worth to note that affordable homes is an important element of the Group’s strategy to diversify its product mix.*

- iv) Page 83 mentioned about supply chain disruption causing margin compression on new launches and possibility of late delivery to customers up to first half of FY2023. As of to date, has the impact been reduced since China is now opening up?

Response :

*To date, we believe the supply chain disruption is subsiding as a result of improving labour supply with recent increases in arrivals of foreign workers over the last few months. As for material prices, major items such as reinforcement bars, copper and aluminium have mostly eased from the peak in Quarter 2 of 2022, save for cement and concrete prices which have increased by over 20% in the last six months due to the increase in raw material and production costs. Overall, we expect the construction costs to ease slightly lower in FY2024 with labour supply stabilising.*

- v) What are the FY2023 targeted sales, land activation and value and unit of properties to be launched?

Response :

*The Group has set a sales target of RM2.3 billion for FY2023, with a diversified product launch pipeline worth RM3.0 billion in GDV for 3,455 units. In FY2023, we plan to activate approximately 324 acres of property development land, excluding land disposals.*

- vi) Out of the RM277.2 million completed inventories, how much has been sold and how much is remaining. Please provide breakdown by project.

Response :

*The Group has been committed to keeping completed inventories at manageable levels through effective and targeted marketing and sales efforts. As at 31 December 2022, the completed inventories mainly comprise the following projects :*

No.	Project Name	Township	Product Type	Carrying value
1	Elmina East Business Park	City of Elmina	Industrial	RM171.1 million (representing 61% of total completed inventories)
2	Centro	Ara Damansara	Commercial	
3	Sarjana Promenade	Bandar Universiti Pagoh	Commercial	
4	Planter's Haven	Planter's Haven	Lots	
5	Melawati Corporate Park	Taman Melawati	Commercial	

*The Group will disclose the carrying value of the unsold completed inventories as at 31 March 2023 in the upcoming Quarter 1, FY2023 results which will reflect the amount that has been sold post year end.*

- vii) Can you provide the details of RM63.2 million impairment and adjustment to lease properties? Which investment properties is it related to and what is the current outlook/ plan for these properties?

Responses :

*This has been addressed in earlier live question item no. 2(i) above.*

4) Questions from Mr Venkatachalam Alagappan (Shareholder)

- i) What is driving the revenue growth in 2022 in the Property Development division, especially since the number of units sold had only grown marginally to 3,332 in 2022 from 3,111 in 2021 and also the delivery of completed units in 2022 was only 1,855, which is a drop from 3,129 in 2021. Can you provide more details?

Response :

*Revenue recognition for Property Development segment depends not only on the number of units sold and delivered, but also on the progress made on the construction site and the product mix of the launched products.*

*Compared to FY2021, the revenue growth was driven by higher property sales of on-going projects and higher site progress in Nilai Impian, Bandar Bukit Raja, Hamilton Nilai City, City of Elmina, Elmina Business Park and Serenia City townships, higher sales from industrial products which carry higher price per unit, in addition to revenue from sale of lands in Selangor, Sabah and Kedah as part of the Group's land bank management and monetisation exercise.*

- ii) In terms of your SHIFT25 program, what proportion of assets do you expect it to be in retail, office and logistics / industrial. How has the progress been so far?

Response :

*The SHIFT25 strategy aims to transform Sime Darby Property from a pure-play property developer to a sustainable real estate company, with diversified business, enhanced competencies and new capabilities, supported by fully digitalised operations.*

*However, due to the sensitive nature of our business as we strive towards achieving SHIFT25 targets, we do not disclose the proportion of assets by category.*

- iii) From the Annual Report, I understand that the Group incurred a RM41.9 million loss in Quarter 4, 2022 in their Investment and Asset Division. Can you provide more details as to what caused that loss? Even if you exclude the loss in the Quarter 4, 2022, the yield generated from the RM1.085 billion asset in the Investment and Asset Division in 2022 seems low. What plans do you have to increase the yield from this division?

*Response :*

*The fair value loss of RM41.9 million was mainly attributed to a retail building that is currently under construction and is primarily due to a decrease in value as assessed by independent external valuers, as part of the annual valuation exercise for investment properties.*

*Investment properties under our portfolio totaling RM1.09 billion includes commercial, Industrial and Logistics Development (“ILD”) and retail assets within Sime Darby Property. While a portion of these investment properties have stabilised and are income generating, the portfolio includes (i) newly developed assets which have recently become operational post-pandemic and (ii) assets which have not become operational. Examples of these development assets include KL East Mall, Senada Mall, and Elmina Mall.*

*Notwithstanding, the Investment and Asset Management team is taking proactive measures to drive asset level yields through various initiatives from asset enhancement (for aging assets), cost reduction (energy audits, streamlining operations) and driving overall asset level revenue through positive rental reversions and ancillary revenue streams such as marketing and advertisements amongst others.*

*These initiatives are in line with our SHIFT25 goal of becoming a real estate company in five years, where we aim to develop a stable recurring income stream from our investment properties as part of our revenue mix.*

- 3.6 The Chairman thanked the GMD and reminded the shareholders that the polling process for all resolutions had started since the commencement of the AGM. Therefore, the shareholders may begin to submit their e-votes until the announcement on the closing session of the e-voting session.

In view of the Chairman’s interest in Resolution 1, he handed over the chair of the Meeting to Dato’ Seri Ahmad Johan Mohammad Raslan (“Dato’ Seri Johan”).

Dato’ Seri Johan thanked the Board Chairman and proceeded to chair the Meeting.

**4.0 ORDINARY RESOLUTIONS 1, 2 AND 3**  
**- RE-ELECTION OF DIRECTORS IN ACCORDANCE WITH RULE 111 OF THE COMPANY’S CONSTITUTION**

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- 4.1 The Chairman informed the Meeting that the second item on the Agenda was in relation to the re-election of the following Directors of the Company who retired in accordance with Rule 111 of the Company’s Constitution and being eligible had offered themselves for re-election :

- 1) Mr Rizal Rickman Ramli (under Resolution 1);
- 2) Dato’ Azmir Merican (under Resolution 2); and
- 3) Dato’ Soam Heng Choon (under Resolution 3)

- 4.2 The Chairman further informed the Meeting that the profile of Mr Rizal Rickman Ramli, Dato' Azmir Merican and Dato' Soam Heng Choon standing for re-election had been provided to the shareholders in the Annual Report 2022 on pages 138 to 140, respectively.
- 4.3 The Chairman apprised the Meeting that in line with the best practices in corporate governance and for the purpose of determining the eligibility of Directors standing for re-election at the 50th AGM, the Board, through its Nomination and Remuneration Committee ("NRC"), had conducted the necessary assessment on Mr Rizal Rickman Ramli, Dato' Azmir Merican and Dato' Soam Heng Choon based on the relevant performance criteria. In this respect, the Board had approved the recommendation of the NRC that Mr Rizal Rickman Ramli, Dato' Azmir Merican and Dato' Soam Heng Choon were eligible to stand for re-election. The details of the assessment were disclosed in Explanatory Note 2 of the Notice of the 50th AGM on pages 357 of the Annual Report 2022 and the NRC Report on page 175 of the Annual Report 2022.
- 4.4 The Chairman then invited the GMD to read out the questions received from the shareholders in advance and the live questions received. The GMD informed that there were no questions received regarding Ordinary Resolutions 1 to 3.
- 4.5 Since there were no questions raised by the shareholders, the Chairman then invited the shareholders to cast their votes on Ordinary Resolution 1, Ordinary Resolution 2, and Ordinary Resolution 3 via the e-voting platform on Tricor's TIIH Online website at <https://tiih.online>. The Chairman thanked the shareholders and handed over the Chair back to Mr Rizal Rickman Ramli for the next agenda.
- 4.6 Mr Rizal Rickman Ramli thanked Dato' Seri Johan and resumed to Chair the Meeting.

**5.0 ORDINARY RESOLUTION 4**  
**- PAYMENT OF FEES TO THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD FROM 25 MAY 2023 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN YEAR 2024**

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- 5.1 The Chairman informed the Meeting that Resolution 4 was in relation to the payment of Fees to the Non-Executive Directors ("NEDs") for the period from 25 May 2023 until the next AGM of the Company to be held in year 2024.
- 5.2 The Chairman briefed the Meeting as follows:
- 1) During the financial year under review, the NRC had continued to carry out an annual review of the Directors' remuneration. Based on the recommendation from the NRC, the Board had, on 28 February 2023, agreed that the proposed fees payable to the NEDs shall remain unchanged.
  - 2) The details of fees payable to the NEDs for the period from 25 May 2023 until the next AGM of the Company in the year 2024 were set out in the Board Remuneration Framework on pages 59 to 62 of the Corporate Governance Report 2022 and Explanatory Note 4 of the Notice of the 50th AGM on page 358 of the Annual Report 2022.
  - 3) Ordinary Resolution 4, if passed, would authorise the Company to continue paying the NEDs' fees on a monthly basis after the AGM for their services on the Board and Board Committees.

5.3 The Chairman then invited the GMD to read out the questions received from the shareholders in advance and the live questions received. The GMD informed that there were no questions received regarding Ordinary Resolution 4.

5.4 Since there were no questions raised by the shareholders, the Chairman invited the shareholders to cast their votes on Ordinary Resolution 4 via the e-voting platform on Tricor's TIIH Online website at <https://tiih.online>.

**6.0 ORDINARY RESOLUTION 5**  
**- PAYMENT OF BENEFITS PAYABLE TO THE NON-EXECUTIVE DIRECTORS UP TO AN AMOUNT OF RM500,000 FOR THE PERIOD FROM 25 MAY 2023 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN YEAR 2024**

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6.1 The Chairman informed the Meeting that Ordinary Resolution 5 was in relation to the payment of benefits payable to the NEDs up to an amount of RM500,000 for the period from 25 May 2023 until the next AGM of the Company to be held in year 2024.

6.2 The Chairman briefed the Meeting as follows:

- 1) Section 230 (1) of the Companies Act 2016 provided, amongst others, that "any benefits" payable to the directors of a listed company and its subsidiaries should be approved at a general meeting.
- 2) The Company was seeking shareholders' approval for the same approval limit as obtained in the preceding AGM in respect of the amount of benefits payable to the NEDs of up to RM500,000 at the 50th AGM.
- 3) The details of the benefits sought to be approved under this Resolution were set out in the Board Remuneration Framework on pages 59 to 62 of the Corporate Governance Report 2022, which should be read together with Explanatory Note 5 of the Notice of the 50th AGM on pages 358 to 359 of the Annual Report 2022.

6.3 The Chairman then invited the GMD to read out the questions received from the shareholders in advance and the live questions received. The GMD informed that there were no questions received regarding Ordinary Resolution 5.

6.4 Since there were no questions raised by the shareholders, the Chairman invited the shareholders to cast their votes on Ordinary Resolution 5 via the e-voting platform on Tricor's TIIH Online website at <https://tiih.online>.

**7.0 ORDINARY RESOLUTION 6**  
**- RE-APPOINTMENT OF AUDITORS**

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7.1 The Chairman informed the Meeting that Ordinary Resolution 6 was in relation to the re-appointment of PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2023 and to authorise the Directors to determine their remuneration. PricewaterhouseCoopers PLT had consented to act as Auditors of the Company.

7.2 The Chairman further informed the Meeting that the Board had recommended the shareholders to approve the appointment of PricewaterhouseCoopers PLT as the External Auditors of the Company for the financial year ending 31 December 2023 based on the Audit Committee's recommendation.

7.3 The Chairman then invited the GMD to read out the questions received from the shareholders in advance and the live questions received. The GMD informed that there were no questions received regarding Ordinary Resolution 6.

7.4 Since there were no questions raised by the shareholders, the Chairman invited the shareholders to cast their votes on Ordinary Resolution 6 via the e-voting platform on Tricor's TIIH Online website at <https://tiih.online>.

## **8.0 ANY OTHER BUSINESS**

8.1 The Chairman informed the Meeting that the final item in the Agenda was for the transaction of any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.

8.2 The Chairman further informed the Meeting that the Group Company Secretary had confirmed that no notice had been received from the shareholders to transact any other ordinary business at the Meeting.

## **9.0 POLL VOTING**

9.1 The Chairman reminded the shareholders to cast their votes via the RPV facilities as the voting session would end in 10 minutes.

*(The AGM took a 10-minute break to allow for voting session)*

9.2 After 10 minutes, the Chairman announced that the voting session for the 50th AGM had concluded and thanked all shareholders for their participation and patience throughout the 50th AGM.

9.3 The Chairman informed the Meeting that the Poll Administrator, would compile and hand over the poll results to the Independent Scrutineers, for validation.

9.4 The Chairman informed that the 50th AGM would take a break at 11.25 p.m. to facilitate the completion of the verification for declaration of poll results in respect of Resolutions 1 to 6.

## **10.0 POLL RESULTS**

10.1 The Chairman resumed the 50th AGM to order at 11.55 a.m. for the announcement of the poll results and invited Mr Chuah Poo Sian, the representative of the Independent Scrutineers for the polling exercise, to read out the poll results.

10.2 Mr Chuah Poo Sian thanked the Chairman and proceeded to read out the following poll results :

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 1</b> <i>"THAT Mr Rizal Rickman Ramli, who retired by rotation in accordance with Rule 111 of the Constitution of the Company, be re-elected as a Director of the Company."</i>	5,500,073,760	99.6865	17,296,852	0.3135
<b>Ordinary Resolution 2</b> <i>"THAT Dato' Azmir Merican, who retired by rotation in accordance with Rule 111 of the Constitution of the Company, be re-elected as a Director of the Company."</i>	5,516,232,079	99.9794	1,138,533	0.0206



Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 3</b> <i>“THAT Dato’ Soam Heng Choon, who retired by rotation in accordance with Rule 111 of the Constitution of the Company, be re-elected as a Director of the Company.”</i>	5,500,799,202	99.6993	16,590,286	0.3007
<b>Ordinary Resolution 4</b> <i>“THAT the payment of fees to the Non-Executive Directors for the period from 25 May 2023 until the next AGM of the Company to be held in year 2024, be approved.”</i>	5,512,642,752	99.9144	4,720,249	0.0856
<b>Ordinary Resolution 5</b> <i>“THAT the payment of benefits payable to the Non-Executive Directors up to an amount of RM500,000 for the period from 25 May 2023 until the next AGM of the Company to be held in year 2024, be approved.”</i>	5,512,257,782	99.9079	5,078,787	0.0921
<b>Ordinary Resolution 6</b> <i>“THAT PricewaterhouseCoopers PLT be re-appointed as Auditors of the Company for the financial year ending 31 December 2023 at a remuneration to be determined by the Directors.”</i>	5,516,963,996	99.9930	388,928	0.0070

10.3 The Chairman thanked Mr Chuah Poo Sian and announced that all resolutions were passed.

## 11.0 **CONCLUSION**

11.1 The Chairman informed the Meeting that the results of the poll voting would be announced to Bursa Malaysia in the evening and the EGM on the Proposed Acquisition of Three Parcels of Freehold Lands in Sungai Kapar Estate would commence at 12.30 p.m.

11.2 The Chairman thanked all for their participation at the 50th AGM.

11.3 There being no other business to be transacted, the Meeting ended at 12.00 p.m. with a vote of thanks to the Chairman.

## 12.0 **AFTER THE MEETING**

12.1 Sime Darby Property had received further questions, which were submitted by the shareholders through the query box provided in the RPV facilities during the 50th AGM. Management had responded to each question via email after the 50th AGM. The questions and responses were enclosed as **Appendix 3** of the Minutes.

SIGNED AS A CORRECT RECORD



CHAIRMAN

Dated : 5 July 2023