



SIME DARBY PROPERTY BERHAD

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

MINUTES OF THE FIFTY-FIRST ANNUAL GENERAL MEETING (“51st AGM”) OF SIME DARBY PROPERTY BERHAD (“SIME DARBY PROPERTY” OR “THE COMPANY”) HELD AT THE BALLROOM 1, FIRST FLOOR, SIME DARBY CONVENTION CENTRE, 1A, JALAN BUKIT KIARA 1, 60000 KUALA LUMPUR, MALAYSIA AS BROADCAST VENUE ON MONDAY, 20 MAY 2024 AT 10.00 A.M.

- BOARD OF DIRECTORS** : YBhg Dato’ 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 Tan Sri 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
Ms Nur Farahbi Shaari
- 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 Boardroom Share Registrars Sdn. Bhd. (“Boardroom”)’s Remote Participation and Electronic Voting (“RPEV”) facilities*

As per the Summary of Attendance List
- SCRUTINEERS** : Mr Chuah Poo Sian
(*Partner, Coopers Professional Scrutineers Sdn Bhd*)

**Attendance via video conferencing*

1.0 CHAIRMAN'S OPENING REMARKS

- 1.1 The Chairman, on behalf of the Board and Management, welcomed the shareholders to the 51st 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 51st 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 10.00 a.m.
- 1.3 The Chairman briefed the shareholders as follows :
- 1.3.1 Although Malaysia had transitioned to the endemic phase, the potential health risks posed by the COVID-19 pandemic and influenza remained a concern. In ensuring the safety of all attendees and other parties involved in this AGM, the Board decided to continue leveraging on technology to facilitate communication and engagement with shareholders for this AGM, as per the last four years, which proceedings had gone smoothly and facilitated effective shareholders' engagement.
- 1.3.2 The virtual AGM was held in accordance with the provisions of the Companies Act 2016, the Company's Constitution, and the latest Securities Commission Malaysia Guidance on the Conduct of General Meetings for Listed Issuers, updated as of 7 April 2022.
- 1.3.3 2023 was a truly productive year for Sime Darby Property. The Group delivered continued solid operational and financial results, with the highest ever post-2017 demerger operating profit of RM606.4 million and sales achievement of RM3.4 billion, surpassing its RM2.7 billion sales target.
- 1.3.4 These outstanding accomplishments would not have been possible in market conditions with elevated materials costs and inflationary pressures if not for the unwavering trust and support of all stakeholders and customers, as well as the resilience and passion of T.E.A.M Sime Darby Property in realising the Company's purpose of multiplying value for people, businesses, economies, and the planet.
- 1.3.5 Sime Darby Property made strong and significant progress on many counts in the third year of its transformation journey from being a pure-play property developer towards becoming a sustainable real estate company. This was evident in the Company's venture into renewable energy and commitment to act as a 'Force for Good', which had solidified the Group's long-term climate change ambitions. In November 2023, Sime Darby Property announced its pledge to achieve Net Zero emissions by 2050, with an intermediate target of achieving a 40% reduction in the Company's Scope 1 and 2 emissions by 2030.
- 1.3.6 These achievements demonstrated the Group's agility and perseverance and that the Company had clearly established building blocks that will create value going forward. The numerous international and local awards garnered in 2023, which included two major wins at the FIABCI Prix d'Excellence Awards 2023, were also a testament to the high standards and quality that Sime Darby Property upholds in serving its stakeholders and customers.

- 1.3.7 In 2024, global economic growth was projected to remain modest due to tightening monetary policy and subdued trade amidst ongoing geopolitical tensions. However, there was a positive indication of declining global inflation from its highest point in 2023. Nevertheless, Sime Darby Property was mindful of the potential impact of the weakening ringgit and rising material costs on the Company's margins and operating expenses.
- 1.3.8 Sime Darby Property's commitment to the SHIFT25 strategy remained steadfast and would maintain its focus on executing the SHIFT25 strategy and plans, emphasising the acceleration of the Company's Engines of Growth and driving Corporate Priorities with agility and determination. Supported by rising sales volumes, encouraging market response to new property launches and successful project completions, there was a notable increase in optimism in 2024 compared to the beginning of 2023. Additionally, positive government policies and incentives contribute to the Company's confidence in the market outlook. With this momentum and fortified by its robust financial standing, the Company was well-equipped to excel in executing this strategy and plan. Sime Darby Property hoped the shareholders would continue to be with the Company throughout this exciting journey.
- 1.3.9 On behalf of the Board, the Chairman expressed his deepest appreciation to the team at Sime Darby Property for their contributions to the Group's achievements in 2023, which propelled the Group closer to its aspiration of becoming Malaysia's leading and most admired real estate company.
- 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 Notice of AGM was issued to all shareholders, Bursa Malaysia Securities Berhad ("Bursa Malaysia") and the Auditors of the Company on 19 April 2024 in accordance with the Company's Constitution. The Annual Report 2023, issued electronically on 19 April 2024, sets out the Company's information, activities, results, and financial position as of 31 December 2023.
- 1.6 The Chairman proceeded to brief the shareholders on the following:
- 1.6.1 As at 10 May 2023, the Company had 27,568 depositors, and the total number of issued shares was 6,800,839,377.
- 1.6.2 Based on the Company's Share Registrar's registration data as of 10.00 a.m. on 18 May 2024, 1,397 members had registered to attend the 51st AGM through the Remote Participation and Electronic Voting ("RPEV") facilities. They represented 4,245,341,842 ordinary shares, which constituted 62.42% of the Company's total issued shares.
- 1.6.3 All proxy votes given to the Chairman would be voted in accordance with the instructions indicated in the proxy forms. Where a proxy vote was given without voting instructions, the Chairman would vote in favour of each respective resolution.

- 1.6.4 In accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia, all proposed resolutions set out in the Notice of the 51st AGM would be voted on by way of a poll.
- 1.6.5 There were seven (7) Ordinary Resolutions to be voted at the 51st AGM as set out in the Notice of the 51st AGM, each would require a simple majority vote for it to be passed.
- 1.6.6 The Company had appointed Boardroom as Poll Administrator to conduct the poll by way of electronic voting (“e-voting”) using the RPEV facilities and Coopers Professional Scrutineers Sdn Bhd as Independent Scrutineers to validate the poll results.
- 1.6.7 Two of the Company’s employees, Ms Linda Thien Bit Sin and Mr Yeoh Wei Ling, who were also shareholders, offered themselves to be the Proposer and Secunder for the proposed resolutions on the Agenda. Therefore, all resolutions tabled at the 51st 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 51st AGM at 10.00 a.m. until the announcement of the end of the voting session. A video on the e-voting procedures was then presented to the shareholders.
- 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

- 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:
- 2.1.1 Introduction & FY2023 Key Highlights
 - 2.1.2 Key Milestones & Awards
 - 2.1.3 FY2023 Financial & Operational Performance
 - 2.1.4 Key Projects
 - 2.1.5 Market & Sector Outlook
 - 2.1.6 Total Shareholders Return (“TSR”)
 - 2.1.7 SHIFT25 Strategy
 - 2.1.8 FY2024 Guidance
- 2.2 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 2024, seeking clarification on several issues related to the Annual Report 2023. The reply letter dated 17 May 2024 had been uploaded to the Group’s website.
- 2.3 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.
- 2.4 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 2023

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 2023 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 51st 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 2023 on pages 262 to 383, followed by the Independent Auditors’ Report on pages 269 to 275.

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

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

3.4.1 The Group received questions in relation to door gifts from the following shareholders:

- (i) Tee Beng Choo
- (ii) Lee Yeo Ming
- (iii) Lee Chew Foong
- (iv) Yong Joon Fah
- (v) Chee Teng Ho
- (vi) Lim Eng Kim
- (vii) Tee Beng Hee
- (viii) Tee Beng Ngo

Response:

We appreciate the participation of our shareholders at this AGM. 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.

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.

3.4.2 The Group received questions in relation to printed copies of the Annual Report from the following shareholders:

- (i) Lee Yeo Ming
- (ii) Lim Chew Lin
- (iii) Tan Siew Bee
- (iv) Heng Sau Wah

Response:

We have acknowledged the requests for printed copies of the latest Annual Report. Tricor, the Company's appointed Share Registrar has arranged for the delivery of the Annual Report 2023 ahead of the AGM.

3.4.3 Questions from Teo Cher Ming (Shareholder)

- (i) What is the outlook for Battersea as there has been news report that Bank of England is looking at reducing rates.

Response:

The outlook for FY2024 is expected to remain challenging due to the current high interest rate environment in the United Kingdom. However, the overall residential market demand is anticipated to improve upon reduction and normalisation of interest rates, including Battersea.

- (ii) There are few malls owned/partly owned by the Company, is the Company looking at REIT option for these malls once the net property income from these malls reached a certain point?

Response:

Sime Darby Property's ("SDP") retail malls play a primary placemaking role in the overall design and sustainability of our townships – serving as a key gathering point for the residents to shop, dine, and socialize. SDP's first wholly owned mall, KL East Mall ("KLEM") has shown a commendable performance in 2023 since opening its doors in November 2020 and is on track to achieve the Group's NPI yield requirements this year. Looking forward, our retail division is gearing up to launch two new malls, Elmina Lakeside Mall (2H 2024) and Senada Mall (2025).

Beyond stabilized net property income yields of our malls, scale / size of a portfolio for REIT listing by asset class or otherwise, is an important criteria. With a growing retail mall portfolio, we will continuously assess avenues for capital recycling and redeployment as part of our division's mandate.

- (iii) In page 137 CFO review, loss in IAM is attributed to fair value loss of investment properties and higher financing cost of Joint Ventures ("JV"). Which investment properties and JV is this related to? Is it Melawati Mall?

Response:

The IAM segment generated profit before tax of RM15.8 million in FY2023. The loss mentioned on page 137 of the Integrated Report FY2023 refers to the share of loss from JV within the IAM segment, which was mainly attributed by fair value loss on investment properties and higher financing costs in the Battersea Group, whose long-term investment assets are located in the United Kingdom.

3.4.4 Question from Mohd Helmy Rizal bin Abdullah (Shareholder)

Will the CEO and BOD consider and approve a meeting allowance to be paid to shareholders who attend the AGM and EGM (if any) of our Company? After all, the shareholders have always approved the salary, allowance, etc, paid to the Executive and Non-Executive Directors of the Company.

Response:

We take note of your suggestion regarding the consideration of a meeting allowance for shareholders who attend the AGM or EGM of our Company.

While we value the participation of our shareholders in these meetings, it is not our practice to provide such allowances to shareholders.

3.4.5 Question from Chua Long Siew (Shareholder)

What are the management doing wrongly. Poor supervision having lost in legal case due to poor quality. The management should be reprimanded, it is the first time, even my colleague who bought at Denai Alam had a long list of defects. No wonder why the share price is so low. Head should spin need to buck up please before whatever reputation you have go down the drain.

Response:

Thank you for sharing your feedback regarding the quality of our products. We sincerely apologise for any inconvenience you may have experienced.

Rest assured, Sime Darby Property places strong emphasis on ensuring the highest quality standard. We understand how crucial this is for our valued customers, and we want to assure you that every product we deliver undergoes a stringent quality management review process. This process is designed to prevent, identify and resolve any defects alongside our vendors for each product that is handed over to our customers.

3.5 The Chairman informed the Meeting that the Company had received several live questions from the shareholders in advance via the RPEV facilities. The questions were then read and responded to by the GMD on behalf of the Board / Management, as follows:

3.5.1 Questions from Ms Lee Suan Bee (Shareholder)

(i) How much does the company spend on this virtual AGM?

Response:

It costs approximately RM265,000 to hold a virtual AGM.

(ii) Would the Board of Directors kindly give Touch n Go e-wallet as a token of appreciation for attending this RPV (Remote Participation & Voting).

Response:

We appreciate the participation of our shareholders at this AGM. As mentioned earlier, there will be no distribution of door gift(s) or food

voucher(s) to shareholders or proxies who participate 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.

- (iii) I would like to request a printed hard copy of the company annual report.

Response:

We take note of your request for the printed copy of our latest Annual Report. Tricor, our appointed Share Registrar, will arrange for the delivery of the Annual Report 2023 to your registered address.

- (iv) What's the future outlook and prospects for the company's property development? Please advise.

Response:

The Property Development ("PD") segment continues to be positive. Our launches are quite aggressive. We are priming to build the best-in-class PD business. To achieve this, the PD business will continue with its robust momentum to launch a good balanced mix of landed, high-rise and industrial products. We are also placing greater emphasis is placed on Placemaking, Sustainability and Urban Biodiversity initiatives within our townships, fostering the growth of resilient communities and townships, while bringing lifestyle activities to the forefront of living in a Sime Darby Property township.

- (v) When will the company going back to physical Annual General Meeting? Please advise.

Response:

We take into consideration, the feedback from shareholders as well as health and safety aspects and explore other modes of conducting general meetings, including hybrid meetings, which would allow both physical participation and remote participation by shareholders. We will continue to monitor the market practice and take this into account in the arrangement for next year's Annual General Meeting.

3.5.2 Question from Ms Koh Chooi Peng (Shareholder)

- (i) Battersea Project Holding Co Ltd posted a substantial increase in Loss before Taxation amounted to RM265.702 million in Financial Year 2023 (Note 11 - Page 312 of Annual Report)

- (a) What are main reasons for the huge losses reported despite posting a Revenue of RM1.484 billion?

Response:

The figure mentioned is for the Battersea Project where we have a 40% share.

As I mentioned earlier the operating landscape in the UK is very different from what we face here in Malaysia. It is quite dampened by the high interest rate, which has increased 14

times since September 2021. It has a big impact on the project, on costs and the take-up rate as well as the fair value of investment. These are the main reasons why there was an impact. Obviously, the financing costs were higher. We had a write-down of inventories and net fair loss on investment properties as disclosed in Note 11(a)(i) on page 312 of the integrated report.

- (b) Reason(s) for the huge drop in Revenue from RM5.478 billion reported in Financial Year 2022?

Response:

Revenue was higher in 2022 due to higher recognition from Phase 2 and Phase 3a residential sales, whilst the revenue in 2023 are mainly derived from the clearance of remaining units.

- (ii) Battersea's Other Current Assets amounted to RM5.599 billion in Financial Year 2023.

- (a) What is amount attributed to completed units not sold?

Response:

Completed units not sold as of 31 December 2023 is approximately GBP 250 million (RM1.5 billion)

- (b) The latest Other Current Assets figure as of 31 March 2024?

Response:

We are unable to disclose the 31 March 2024 financials as we have yet to announce our Q1 Financial Year 2024 results.

3.5.3 Question from Mr Lim San Kim (Shareholder)

Which sector make profit and which segment making loss?

Response:

In Financial Year 2023, only the Leisure segment is registering a marginal Loss-Before-Tax at RM(0.8)million, mainly due to higher golf course maintenance activities for the preparation of the LPGA tournament at KLGCC.

3.5.4 Question from Mr Hiu Chee Keong (Shareholder)

- (i) How minimum wage and the new government proposed gradually salary increment affect the company financially?

Response:

While Malaysia's statutory minimum wage currently stands at RM1,500 per month, we recognise that this amount does not adequately reflect the real costs associated with living comfortably or securely.

The Group has taken proactive steps to support our employees amidst the rising cost of living by increasing the Employee's Minimum Living Wage to RM2,700 per month as of 2024. At the moment, we do not foresee Malaysia's statutory minimum wage to have any impact on the Company even if it increased substantially from RM1,500.

- (ii) Will the company commit to use ai and automation to save staff cost?

Response:

Yes. It is a space that we are currently looking at. It is part of our overall Digital Transformation. To use AI, we first need to have our data in a digital form, and this is an important step because without converting all our data into digital form, our database / pool of data will be limited. The current step is to ensure all our systems, software, and databases are in digital form. We have converted to the Cloud, where we are able to process and visualize data, and we are able to pass the data through systems to be able to read the information and to get into a more intelligent step to get this data to deliver homes better. The first step, we will look at contractors' performance, look at how we deliver homes, look at defects, this is something that we are doing. In short, this is an exciting space. We continue to focus. We have to take a step-by-step approach. We agree that it will allow us to be more efficient and save costs.

3.5.5 Question from Mr Sing Chaw @ Seng Kong Choo (Shareholder)

Malaysia property price is stagnant, how does that affect company business?

Response:

Malaysia's House Price Index (HPI) has seen a 3.2% growth YoY at 216.5 points, higher than the 5-Year Compound Annual Growth Rate (CAGR) of 2.3% from 2018 to 2023. The current average value per residential transaction in Klang Valley stands at around RM609 thousand.

The overall property market has demonstrated resilience and registered higher property transaction volume in 2023 led by the residential segment.

For Sime Darby Property - we managed to deliver exceptional performance in Financial Year 2023; exceeding our RM2.7bil sales target by 22% to RM3.3bil, across a diversified product mix of residential landed contributing to 36%, industrial with 31% and high-rise at 27%.

We believe that the property price will not remain stagnant. We also have higher construction costs, which we see impacting our Townships. Overall, we believe that the prices will edge up and grow, as you can see from the HPI.

3.5.6 Question from Mr Loo Tuck Fatt (Shareholder)

Any bonus issue and increased dividend (to be paid quarterly)?

Response:

Declaration of dividends will depend on the Group's performance and its cash flow position in the coming financial year. Hence, it is premature to comment on it now. Nevertheless, the Group is committed to ensuring that shareholders' value and return are maximised.

3.5.7 Question from Mr Chua Song Yun (Shareholder)

The transformation Journey Shift25 is mentioned in many parts of the annual report (page 123 to 127); however, most of it is just general wordings that shareholders find it hard to visualize.

(i) What are the expected outcome of SHIFT25

Response:

Among the key objectives for our SHIFT25 Strategy is to the Company from a pure-play developer to a real estate company, by accelerating our Engines of Growth:

This includes maximising our current core business (Engine 1) and ensuring a best-in-class Property Development business.

Another key indicator / outcome is the pivot in the business model to grow our "Engine 2" / Investment and Assent Management recurring income contribution and fee-based income, especially via the Fund Management Platform.

(ii) Does it contain financial KPIs, such as revenue, profit or ROE targets? If so, please share.

Response:

Among the key measures is the Group's target of a 70:30 split between non-recurring vs. recurring income. Certainly, we are striving for high growth across financial metrics, including Revenue, PATAMI, and ROE. The targets are confidential.

Internally, the organisation is focused on achieving its yearly strategic priorities which has been phased into KPIs within the Corporate and Individual Scorecards.

3.5.8 Question from Mr Lim San Kim (Shareholder)

When to pay dividend and distribute TREASURY shares?

Response:

In Financial Year 2023, we declared a total dividend of 2.5 sen per share and the Second Interim Dividend of 1.5 sen was paid out on 8 May 2024. The Company has no Treasury shares.

3.5.9 Question from Ms Koh Chooi Peng (Shareholder)

Melawati Mall recorded an occupancy rate of 87% in Financial Year 2023.

- (i) What is the Net Book Value of Melawati Mall?

Response:

Net book value of Melawati Mall, which is also equivalent to its fair market value, is RM618 million as at 31 December 2023.

- (ii) Why is Melawati Mall not listed in the List of Material Properties Held on pages 386 to 387 of the Annual Report?

Response:

Melawati Mall is held via a joint venture. The List of Material Properties include assets which are held directly the Group (i.e. by the Company and subsidiaries of the Company).

3.5.10 Question from Mr Loo Yeo Ming (Shareholder)

How many terms will the Director hold office, what is your policy for succession planning to replace retiring directors?

Response:

Presently, there is no fixed term for Directors to hold office. Nevertheless, for Independent Directors, the Company endeavours to continuously adopt the Malaysian Code on Corporate Governance ("MCCG") recommended practice that an Independent Director does not exceed a term limit of nine (9) years.

If the Board, upon consideration, decides that an independent director should continue to serve on the board after the expiry of the 9-year term, the independent director will be redesignated as a non-independent director.

The Board Succession Plan Framework and Board Composition Policy in place, guides the Board, in particular the Nomination and Remuneration Committee ("NRC"), in ensuring the orderly sourcing, identification and selection of new Non-Executive Directors in the event of an opening on the Board by reason of an anticipated retirement, expansion in the size of the Board or otherwise.

The NRC would also ensure that the board and board committees have an appropriate dynamic of skills, experience, expertise, and diversity, with the aim to achieve a high-performing Board and encourage positive boardroom dynamics.

3.5.11 Question from Ms Hariza Binti Ismail (Shareholder)

Does Board of Directors entitled to meeting fee attending this Annual General Meeting?

Response:

No, Directors are not entitled to any meeting fee.

3.5.12 Question from Ms Koh Chooi Peng (Shareholder)

Two new malls are to be rolled out in 2024/2025, namely Elmina Lakeside Mall and Senada Mall.

- (i) What is the rationale for Sime Darby Property to build more malls in view of the huge supply of malls in Klang Valley resulting in lower occupancy?

Response:

Sime Darby Property's retail malls play a primary placemaking role in the overall design and sustainability of our key townships - serving as a key gathering point for the residents to shop, dine, and socialise. Our malls are sized at ~200-400k sq ft, which is adequate to cater to the needs of our key townships (as compared to larger regional malls in the city centres).

- (ii) What are the contribution of the Retails assets to the Group Revenue and Profitability in Financial Year 2023?

Response:

In the Financial Year 2023, the Retail segment within the Investment and Asset Management subsegment contributed RM40.3 million in revenue and RM9.0 million in profit before tax (PBT) to the Group's results. Revenue from Melawati Mall is not included in the RM40.3 million, as the Group accounts for its 50% interest in Melawati Mall using the equity method.

3.5.13 Question from Mr Liew Hin Choy (Shareholder)

Has Hype Phase 2 in USJ 7 also been sold out in one hour after launch?

Response:

Hype was launched on 28 October 2023 with 320 units and that was fully booked within an hour. The second phase of 55 units was released on 15 March 2024 and take up was approximately 95%.

Please stay tuned to our website & social media updates to learn more about our latest projects & promotions.

- 3.6 The GMD then invited Ms Aurelia Lee, the Chief Operating Officer, Investment & Asset Management, to read out and respond to the questions received from the shareholders in relation to Investment & Asset Management.

3.6.1 Question from Mr Chua Song Yun (Shareholder)

Referring to Investment and Asset Management Segment:

- (i) The malls' occupancy rate is quite healthy, what are the Net Property Income for KL East Mall and Melawati Mall separately?

Response:

The average Net Property Income ("NPI") yield for both malls was approximately 4% for the Financial Year 2023.

- (ii) This segment has substantial operating assets of RM2.67 billion (page 363). Why is this segment's assets only generated such a low return over the past many years?

Response:

The retail segment, including our malls, has recovered significantly compared to the impact of the pandemic; for example, KL East Mall's occupancy has increased to almost 90% with higher average rental rates. This positive impact can also be seen in the higher visitor rates which in turn increases the gross turnover rent. The initial rental rates for KL East Mall were lower at the point of their opening in November 2022 at the height of the pandemic, but we anticipate achieving positive reversions from this year onwards.

- (iii) Please provide the breakdown by assets on their respective yields, which assets are generating satisfactory yield, while which are generating low or negative yield?

Response:

For our retail assets, the average NPI yield is around 4% to 5% in line with the market and our commercial and industrial assets typically provide a higher average yield of 6% to 7%.

3.7 The GMD then continued to read out and respond to the questions received from the shareholders.

3.7.1 Question from Mr Tan Keng Chok (Shareholder)

For SDP shareholders who wish to purchase properties developed by SDP, any discount given other than those given to ordinary purchasers?

Response:

There is no discounts offered specifically to shareholders, as compared to ordinary purchasers.

SDP has a discount policy on properties only for Employees and Directors of Sime Darby Property Group.

3.8 The GMD then invited Datuk Ir. Mohd Idris Abdullah, the Chief Operating Officer, Integrated Development, to read out and respond to the questions received from the shareholders in relation to Integrated Development.

3.8.1 Question from Mr Chua Song Yun (Shareholder)

High-rise projects required high take up rate as it need to build as a whole regardless of take up rates, not like landed projects that can build progressively.

- (i) Please explain why our high-rise projects take up rates is lowest among project types.

Response:

The main reason for the lower take-up rate is due to the timing of launches. If we launch in Q2 or Q3, then it would look like it had a low take-up rate.

- (ii) How long does management expect to sell these unsold units?

Response:

The Group expects to sell a majority of the units within 12 months from the launch date.

- (iii) Does a take up rates of 75% is considered healthy in industry standard?

Response:

Yes.

- (iv) Understand that the group is pivot to high rise projects, with a take up rates of 75%, do management expect that more cash will be trapped in the unsold units going forward?

Response:

The take-up rates for high-rise projects typically take longer. However, we are confident in our ability to clear all the high-rise completed stocks i.e. 10% in 2023.

3.9 The GMD then continued to read out and respond to the questions received from the shareholders.

3.9.1 Question from Mr Lim San Kim (Shareholder)

How many UNSOLD units for each project?

Response:

We don't have a list for each project. However, as of 31 December 2023, the unsold completed stocks stood at 10% of total stocks, amounting to RM390 million in Gross Development Value from 257 units.

3.9.2 Question from Mr Chua Song Yun (Shareholder)

Leisure Segment has substantial operating assets of RM548 millions (page 363). Why is this segment's assets generated such a low return (or negative returns) over the past many years? Please provide the breakdown by assets on their respective yields, which assets are generating satisfactory yield, while which are generating low or negative yield?

Response:

The Net Operating Income Yield ranges from 2% to 5% for the assets in the Leisure Segment, with KLGCC generating the highest yield (excluding depreciation). For information, the net book values of key leisure assets are summarised on page 387 of the integrated report in the List of Material Properties (KLGCC: RM239 million, SDCC: RM 84 million, IGCC: RM 54 million).

3.10 The GMD then invited the GCFO, to read out and respond to the questions received from the shareholders in relation to the Group's Financials.

3.10.1 Question from Ms Koh Chooi Peng (Shareholder)

During Financial Year 2023, the Company recognised impairment losses of RM125.3 million on the carrying amount in its subsidiary.

(i) Which subsidiary that incurred this impairment loss?

Response:

The impairment mainly relates to an intermediate investment holding company for the Group's investment in Battersea.

(ii) What are the reason(s) for the cost of investment in this subsidiary exceeding the recoverable amount?

Response:

The recoverable amount of the subsidiary was determined based on estimated future distributions, expected to be funded by future profits from ongoing developments, inventories, and properties associated with the subsidiary's underlying investments in Battersea. As at 31 December 2023, the cost of investment exceeded the recoverable amount due to the challenges faced by Battersea as highlighted earlier by the GMD and is aligned with the cumulative losses and write-downs recognised by the joint venture.

3.11 The GMD then continued to read out and respond to the questions received from the shareholders.

3.11.1 Question from Mr Ong Cheng San (Shareholder)

What is management plan for Battersea Project? Do management only focus on clearing unsold stock?

Response:

As you know the Battersea Power Station is a long-tailed project. We are about 50% completed i.e. Phase 1, Phase 2 and Phase 3A, 3B and now we are looking at Phase 3C. This project has 50% more to go and we are looking at the current environment and how do we go forward and maximise the highest value given long-term that the UK property market is one of the top property markets in the world so we are looking at the plan where we maximise value looking at the components and the developments in the next phases as well as to manage costs as well as to have a good management team to be able to plan for the next phases.

The second thing is that we do have unsold stocks. The question is now given the market, do we aggressively clear the unsold stocks? The answer is no. we are not aggressively clearing unsold stocks. If we were to clear aggressively the market will expect the price to be quite attractive. Meaning to say we have to translate a discount. We are not too keen to give large discounts, especially for larger units. So we are taking a little bit more time to clear the unsold stocks given that the market is not healthy, given the interest rates / mortgage rates are very high. We foresee once interest rates normalise and we are looking at the later part of the year and

next year that we are able to clear these unsold stocks. In summary, yes, we are looking at unsold stocks and number two we are looking at the overall future development starting with Phase 3C which is the next phase that we will undertake.

3.11.2 Question from Mr Seng Chong Ho (Shareholder)

What has company done to attract foreign investor?

Response:

We have implemented several initiatives aimed at enhancing visibility and accessibility to potential investors from overseas which can be seen at our foreign shareholding of approximately 11%. Some of these initiatives include:

Our active participation in investment forums and conferences to showcase our company's value proposition and investment opportunities to foreign investors.

We also try our best to adhere to international standards of transparency and corporate governance, providing foreign investors with confidence in our operations and financial performance as well as management.

Regarding our products, we continue to receive strong demand from our domestic purchasers. However, we have seen an increasing interest from foreign investors / buyers, especially for industrial properties.

- 3.12 The Chairman thanked the GMD for the response and added that the Company performed well financially in 2023, as seen from the recorded revenue and operating profits vis-à-vis pre-merger days. The translation of that was that the Company's total shareholder's return had been quite strong, i.e. in 2023, total shareholder's return was 40% to 45%. This year, the share price closed at RM1.04, and the total shareholder's return was 60%. As shareholders, the benefit was in the form of appreciation in the shareholders' investments. More importantly, the Company was trading at a considerable Net Asset Value ("NAV") discount, which was RM1.48. The Company's share price started at RM0.40 at the beginning of FY2023 and ended at RM0.62. In FY2024, the share price was at RM1.04. Ultimately, the Company recovered the discount substantially. However, based on the initiatives the Company has taken, there was much room to grow.

The Chairman shared that the Company foresaw many opportunities domestically and abroad. Firstly, the Company would focus on the right opportunities considering the Management's bench strength. Secondly, the Company would ensure it had the right business operating models. The Company did some of these ventures independently or via third-party capital such as the IDF Fund and affordable housing. The Company was quite deliberate in how it went to market, by recognising its strengths. Thirdly, the Company would be cautious with leverage, especially given its very healthy balance sheet position and the numerous opportunities available. It would be extremely selective about the opportunities it funds and aims to build a diversified business with strong recurring income that would be sustainable in key areas of economic growth. The Chairman assured the shareholders that the Board and Management were very focused on enhancing long-term value creation for the Company.

- 3.13 The Chairman thanked the shareholders for all the questions submitted. He 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 of the closing session of the e-voting session.

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

- 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 :

- 4.1.1 Dato' Seri Ahmad Johan Mohammad Raslan (under **Resolution 1**);
- 4.1.2 Mr Mohamed Ridza Mohamed Abdulla (under **Resolution 2**); and
- 4.1.3 Dr Lisa Lim Poh Lin (under **Resolution 3**).

- 4.2 The Chairman further informed the Meeting that the profiles of Dato' Seri Ahmad Johan Mohammad Raslan, Mr Mohamed Ridza Mohamed Abdulla and Dr Lisa Lim Poh Lin standing for re-election had been provided to the shareholders in the Annual Report 2023 on pages 193, 195 and 197, respectively.

- 4.3 The Chairman highlighted to 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 51st AGM, the Board, through its Nomination and Remuneration Committee ("NRC"), had conducted the necessary assessment on Dato' Seri Ahmad Johan Mohammad Raslan, Mr Mohamed Ridza Mohamed Abdulla and Dr Lisa Lim Poh Lin based on the relevant performance criteria. In this respect, the Board had approved the recommendation of the NRC that Dato' Seri Ahmad Johan Mohammad Raslan, Mr Mohamed Ridza Mohamed Abdulla and Dr Lisa Lim Poh Lin were eligible to stand for re-election. The details of the assessment were disclosed in Explanatory Note 2 of the Notice of the 51st AGM on pages 395 of the Annual Report 2023 and the NRC Report on pages 229 to 230 of the Annual Report 2023.

- 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 As 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 e-voting platform on Boardroom's RPEV facilities.

5.0 ORDINARY RESOLUTION 4
- RE-ELECTION OF DIRECTORS IN ACCORDANCE WITH RULE 92.3 OF THE COMPANY'S CONSTITUTION

- 5.1 The Chairman informed the Meeting that the third item on the Agenda was in relation to the re-election of Ms Nur Farahbi Shaari, who retired in accordance with Rule 92.3 of the Company's Constitution and who was eligible had offered herself for re-election.

- 5.2 The Chairman further informed the Meeting that the profile of Ms Nur Farahbi Shaari standing for re-election had been provided to the shareholders in the Annual Report 2023 on page 198.
- 5.3 The Chairman then invited the GMD to read out the questions received from the shareholders in advance and the live questions received.
- 5.4 As 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 the Boardroom's RPEV facilities.

6.0 ORDINARY RESOLUTION 5
- PAYMENT OF FEES TO THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD FROM 21 MAY 2024 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN YEAR 2025

- 6.1 The Chairman informed the Meeting that Resolution 5 was in relation to the payment of Fees to the Non-Executive Directors ("NEDs") for the period from 21 May 2024 until the next AGM of the Company to be held in year 2025.
- 6.2 The Chairman briefed the Meeting as follows:
- 6.2.1 During the financial year under review, the NRC had conducted an annual review of the Directors' remuneration. Based on the recommendation from the NRC, the Board had on 22 February 2024 agreed that the proposed fees payable to the Non-Executive Directors shall remain unchanged.
- 6.2.2 The details of fees payable to the NEDs for the period from 21 May 2024 until the next AGM of the Company were set out in the Board Remuneration Framework on pages 61 to 64 of the Corporate Governance Report and Explanatory Note 4 of the Notice of the AGM on page 396 of the Annual Report 2023, respectively.
- 6.2.3 Ordinary Resolution 4, if passed, would authorise the Company to continue paying the NEDs' fees monthly after the AGM for their services on the Board and Board Committees.
- 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 the Boardroom's RPEV facilities.

7.0 ORDINARY RESOLUTION 6
- PAYMENT OF BENEFITS PAYABLE TO THE NON-EXECUTIVE DIRECTORS UP TO AN AMOUNT OF RM500,000 FOR THE PERIOD FROM 21 MAY 2024 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN YEAR 2025

- 7.1 The Chairman informed the Meeting that Ordinary Resolution 6 was in relation to the payment of benefits payable to the NEDs up to an amount of RM500,000 for the period from 21 May 2024 until the next AGM of the Company to be held in year 2025.

- 7.2 The Chairman briefed the Meeting as follows:
- 7.2.1 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.
- 7.2.2 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 51st AGM.
- 7.2.3 The details of the benefits sought to be approved under this Resolution were set out in the Board Remuneration Framework on pages 61 to 64 of the Corporate Governance Report which should be read together with Explanatory Note 5 of the Notice of the AGM under page 397 of the Annual Report 2023.
- 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 the Boardroom’s RPEV facilities.

8.0 ORDINARY RESOLUTION 7 - RE-APPOINTMENT OF AUDITORS

- 8.1 The Chairman informed the Meeting that Ordinary Resolution 7 was in relation to the re-appointment of PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2024 and to authorise the Directors to determine their remuneration. PricewaterhouseCoopers PLT had consented to act as Auditors of the Company.
- 8.2 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 2024 based on the Audit Committee’s recommendation.
- 8.3 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 7.
- 8.4 As there were no questions raised by the shareholders, the Chairman invited the shareholders to cast their votes on Ordinary Resolution 7 via the e-voting platform on the Boardroom’s RPEV facilities.

9.0 ANY OTHER BUSINESS

- 9.1 The Chairman informed the Meeting that the final item on 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.
- 9.2 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.

10.0 POLL VOTING

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

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

10.2 After 10 minutes, the Chairman announced that the voting session for the 51st AGM had concluded and thanked all shareholders for their participation and patience throughout the 51st AGM.

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

10.4 The Chairman informed that the 51st AGM would take a break at 12.00 p.m. to facilitate the completion of the verification for the declaration of poll results in respect of Resolutions 1 to 7.

11.0 POLL RESULTS

11.1 The Chairman resumed the 51st AGM at 12.20 p.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.

11.2 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	%
Ordinary Resolution 1 <i>“THAT Dato' Seri Ahmad Johan Mohammad Raslan, 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>	5,195,605,618	99.8263	9,038,829	0.1737
Ordinary Resolution 2 <i>“THAT Mr Mohamed Ridza Mohamed Abdulla, 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>	5,202,301,869	99.9762	1,236,388	0.0238
Ordinary Resolution 3 <i>“THAT Dr. Lisa Lim Poh Lin, 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>	5,202,324,386	99.9766	1,215,560	0.0234
Ordinary Resolution 4 <i>“THAT Ms Nur Farahbi Shaari, who retired by rotation in accordance with Rule 92.3 of the Constitution of the Company, be re-elected as a Director of the Company.”</i>	5,197,401,044	99.8820	6,138,402	0.1180

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 5 <i>“THAT the payment of fees to the Non-Executive Directors for the period from 21 May 2024 until the next AGM of the Company to be held in year 2025, be approved.”</i>	5,009,663,629	96.2753	193,812,150	3.7247
Ordinary Resolution 6 <i>“THAT the payment of benefits payable to the Non-Executive Directors up to an amount of RM500,000 for the period from 21 May 2024 until the next AGM of the Company to be held in year 2025, be approved.”</i>	5,009,366,318	96.2701	194,084,205	3.7299
Ordinary Resolution 7 <i>“THAT PricewaterhouseCoopers PLT be re-appointed as Auditors of the Company for the financial year ending 31 December 2024 at a remuneration to be determined by the Directors.”</i>	5,200,866,827	99.9469	2,762,134	0.0531

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

12.0 **CONCLUSION**

12.1 The Chairman informed the Meeting that the results of the poll voting would be announced to Bursa Malaysia in the evening.

12.2 The Chairman thanked all for their participation at the 51st AGM.

12.3 There being no other business to be transacted, the Meeting ended at 12.30 p.m. with a vote of thanks to the Chairman.

Dated : 4 July 2024