



Property

**SIME DARBY PROPERTY BERHAD**

(Company No. 15631-P)  
(Incorporated in Malaysia)

**MINUTES OF THE FORTY-SIXTH (46TH) ANNUAL GENERAL MEETING (“AGM”) OF THE COMPANY (“SIME DARBY PROPERTY” OR “THE COMPANY”) HELD AT THE GRAND BALLROOM, FIRST FLOOR, SIME DARBY CONVENTION CENTRE, 1A, JALAN BUKIT KIARA 1, 60000 KUALA LUMPUR, MALAYSIA ON THURSDAY, 2 MAY 2019 AT 10.00 A.M.**

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**BOARD OF DIRECTORS** : YBhg Tan Sri Dr. Zeti Akhtar Aziz (*Chairman*)  
YBhg Dato’ Sri Amrin Awaluddin  
YBhg Datuk Tong Poh Keow  
YBhg Dato’ Jaganath Derek Steven Sabapathy  
YAM Tengku Datuk Seri Ahmad Shah Alhaj ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj  
YBhg Dato’ Johan Ariffin  
YBhg Datuk Dr. Mohd Daud Bakar  
YBhg Dato’ Seri Ahmad Johan Mohammad Raslan  
YBhg Datin Nor Azah Razali  
Encik Rizal Rickman Ramli  
YBhg Datuk Poh Pai Kong

**GROUP SECRETARY** : Puan Moriame Mohd

**EXTERNAL AUDITORS** : YBhg Dato’ Mohammad Faiz Mohammad Azmi  
(*Executive Chairman, PricewaterhouseCoopers PLT*)  
Puan Nurul A’in Abdul Latif  
(*Partner, PricewaterhouseCoopers PLT*)

**SENIOR MANAGEMENT / SHAREHOLDERS / CORPORATE REPRESENTATIVES / PROXIES / GUESTS** : As per Attendance Lists

As at 22 April 2019, being the cut-off date for determining who shall be entitled to attend the Company’s 46th AGM, the Company had 27,094 depositors, and the total number of issued shares stood at 6,800,839,377 ordinary shares. There were approximately 3,227 members who had registered in person or by proxy as at the commencement of the Meeting.

**1.0 CHAIRMAN’S OPENING REMARKS**

1.1 The Chairman **welcomed** the shareholders to the 46th AGM of Sime Darby Property and thanked them for their presence. The Chairman proceeded to introduce the Board Members and the Group Secretary present at the Meeting. The Chairman also introduced the Senior Management Team and representatives of PricewaterhouseCoopers PLT, Auditors of the Company.

- 1.2 The Group Secretary confirmed the presence of a requisite quorum pursuant to the Company's Constitution. The Notice of Meeting dated 3 April 2019 was then taken as read as proposed by the Chairman and duly seconded by Encik Soo Thien See @ Soo Thien Ming, a shareholder. The Chairman then called the Meeting to order at 10.00 a.m.
- 1.3 The Chairman informed the shareholders that the information on the Company, its activities, results and financial position as at 31 December 2018 were set out in the Abridged Annual Report for the six (6) months financial period ended 31 December 2018 sent to the shareholders on 3 April 2019. The full Annual Report had been posted on the Company's website on the same day.
- 1.4 The Chairman briefed the shareholders as follows:
- 1) In accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), all proposed resolutions set out in the Notice of 46th AGM would be voted by way of a poll.
  - 2) There were ten (10) ordinary resolutions to be voted at the 46th AGM, as set out in the Notice of 46th AGM, each would require a simple majority vote in order for it to be passed.
  - 3) 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") and Deloitte Risk Advisory Sdn Bhd (formerly known as Deloitte Enterprise Risk Services Sdn Bhd) ("Deloitte") as Scrutineers to validate the poll results. The polling process would commence upon completion of the deliberation on all items to be transacted at the Meeting.
- 1.5 The Chairman thereafter invited the Group Managing Director ("GMD"), Dato' Sri Amrin Awaluddin 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 Dato' Sri Amrin Awaluddin, the GMD, thanked the Chairman and welcomed all shareholders and guests for their presence. The GMD gave a brief presentation which covered the following as per **Appendix 1**:
- 1) July to December 2018 Financial and Operational Review; and
  - 2) Moving Forward Plan for 2019.
- 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 16 April 2019 which sought clarification on some issues in relation to the Annual Report. The GMD was subsequently invited to give a summary of the Company's reply in response to the questions raised, for the benefit of the shareholders present. A copy of the reply letter dated 24 April 2019 was attached as **Appendix 2**.

2.3 Dato' Sri Amrin Awaluddin presented the questions raised by MSWG and the Company's responses as follows:

1) The Company has disposed 300 acres of land in Bukit Selarong, Kedah to China's Zhejiang XSD Holding Group Co., Ltd ("Zhejiang XSD") for RM88.9 million.

i) What is the financial impact to the Group's results?

Response:

*The Sale and Purchase Agreement ("SPA") for the disposal of the 300 acres of land in Bukit Selarong was signed in November 2018. The disposal is subject to fulfilment of conditions precedent, which includes the approval from the state of Kedah and Ministry of International Trade and Industry. The transaction is expected to be completed by Q2 FY2019.*

ii) What is the remaining land in Bukit Selarong and its Gross Development Value?

Response:

*Sime Darby Property does not own any remaining land in Bukit Selarong.*

*However, pursuant to the Call Option Agreement signed on 25 August 2017 with Sime Darby Plantation Berhad, the Company has a call option to purchase an additional plot of land in Bukit Selarong from Sime Darby Plantation Berhad of approximately 148 acres. The purchase, if made, will be based on the then prevailing market value of the land.*

iii) What is the Company's plan for the remaining land?

Response:

*The Company currently does not have any plans to exercise its call option to purchase the additional plot of land in Bukit Selarong.*

2) It was reported in the Financial Times newspaper dated 23 March 2019 that the 2nd and 3rd phases of the Battersea Power Station project has run into difficulty. A number of house buyers from the 2nd phase are claiming their deposit back and cancelling their purchases.

i) How serious is the cancellation problem?

Response:

a) **Phase 2**

*Phase 2 of the Battersea Power Station ("BPS") project consists of 255 residential units. As at 31 March 2019, the residential units have recorded sales take-up of 91%. The BPS team keeps in close contact with purchasers and communicate the progress on the delivery of their apartments.*

*The team is making excellent progress on site and is expected to open the Power Station building in early 2021. Over 2,500 operatives are working on the site daily. With the significant progress that is being made and the delivery timetable being finalised, the BPS team has started conversations with purchasers regarding potential delays in their move-in dates but the team is early in the process and no formal rescissions have occurred thus far. In the event that units are returned, the team will resell over the period to completion.*

**b) Phase 3A**

*Phase 3A consists of 542 residential units, with sales take-up of 67% as at 31 March 2019. The BPS team has informed the purchasers of Phase 3A in October 2017 that due to the delay in starting the construction works, there would be some consequential delay to the completion of their apartments. This process was undertaken over two years before the team was obliged to do so as the team believed that it was important to be as transparent as possible and to give purchasers ample time to plan.*

*Although some purchasers had circumstances which meant that they could not wait and were released from their contracts, the majority has committed to the scheme and are looking forward to moving into their new homes. Small incentives were offered as a gesture of goodwill but there were no significant discounts due to the uniqueness of the product and confidence that the team would be able to resell if need be. Of the apartments that came back to the team, the team has and continue to make, good progress in re-selling them and this process is ongoing. The BPS team has sold in excess of 65% of this phase, with about 90% sold across the entire development with sales in excess of £125m in the past year alone. The team continues to sell at levels consistent with those at launch and in many cases at prices far exceeding their originals.*

- ii) Is the project plagued by cost overrun as reported?

**Response:**

*Movements in the market, such as those affected by uncertainties of Brexit and other variables such as cost inflation are expected in a scheme of the project's duration, i.e. over 12 years. The BPS team constantly strives to ensure costs are tightly managed and have implemented a number of initiatives that will ensure the company remains competitive. Whilst the BPS team has experienced cost pressures in the past requisite with its position in the market, it has also enjoyed revenue growth across the same period as well as excellent on-site progress, now benefitting from an advanced stage of procurement across Phases 2 and 3A (+90% and +80% respectively) offering substantial delivery cost certainty. There are also currently over 2,500 workers on site across both Phase 2 and 3.*

- iii) Is there heavy staff turnover and low morale affecting the staff of the Battersea Power Station Development Company?

Response:

*Since the start of the year, only 8 people have left the team, which is reasonable given the total manpower size of about 160. The BPS team has welcomed 9 new joiners since the start of the year and also announced a number of key internal promotions including the appointment of the Head of Delivery, Head of Phase 3 and Head of Commercial – demonstrating the continued appeal of the project and the team's continued ability to attract talent.*

*Although the team experienced some issues with staff retention within the Project Management team in 2018, it has since responded with a reorganisation of the senior management of this business area and under the new leadership of the Head of Delivery, the team is confident the business is in a good place moving forward. Staff morale has never been higher and the team is excited and motivated, especially as the BPS team moves into the final 2 years before completion of the Power Station.*

- iv) What are the measures taken to overcome the problem mentioned in (ii) and (iii), if true?

Response:

*Addressed in (ii) and (iii)*

- 3) The Company has completed the sale of the commercial assets of the Phase 2 development of the Battersea Power Station for a cash purchase price of £676.1 million (page 49 of Annual Report).

- i) There is another amount of £1.583 billion for the disposal of commercial assets within the Battersea Power Station building (page 75 of Annual Report). Please explain what these two figures related to.

Response:

*The SPA dated 14 December 2018, entered into between Battersea Phase 2 Holding Company and PNB-Kwasa International 2 Limited, a joint venture company of Permodalan Nasional Berhad and the Employees Provident Fund Board, in respect of the Phase 2 commercial assets disposal was completed on 14 March 2019. The disposal is for a total consideration of £1.583 billion. At completion, the conditions precedent stated in the SPA have been fulfilled, with the settlement of the initial cash payment of £676.1 million.*

*The balance of the total purchase price is payable in staged payments up to and including the practical completion of the Power Station building in its entirety in accordance with the terms of the SPA.*

- ii) What is the expected gain from the disposal?

Response:

*The disposal is not expected to have any material financial impact to the Company.*

*However, the Company may potentially gain after the completion of the Power Station building, as the structure of the transaction provides the Battersea Phase 2 Holding Company the ability to generate performance-based profits over a 5-year growth period post practical completion of the entirety of the Power Station building.*

- 4) The Company is to embark on the first phase of Malaysia Vision Valley (“MVV”) in FY2019.

- i) What is the Gross Development Value (“GDV”) of phase 1?

Response:

*The first phase of MVV 2.0 spans over 27,000 acres, where Sime Darby Property currently owns 2,838 acres (1,148.5ha) within MVV 2.0 and has the option to acquire another 8,796 acres from Sime Darby Berhad within five years from the date of listing via call option agreements that were entered into between Sime Darby Property and Sime Darby Berhad. There are several heartbeat projects within the first phase of the development, with Parcel A: High Technology and Industrial Park (2,838 acres) being the first to be activated. The estimated GDV of Parcel A stands at RM8.2 billion.*

*The remaining of the Parcels will be progressively planned and developed, taking into consideration market readiness, the finalisation of planned connectivity within the MVV2.0 area and also Sime Darby Property’s future direction. The estimated GDV for the remaining Parcels will be dependent on the product components planned in these Parcels, taking into account the above-mentioned factors.*

- ii) Will the land value at MVV be enhanced as the East Coast Rail Link (“ECRL”) project has now included a proposed station at Jelebu?

Response:

*The rerouting of the ECRL could boost the economic growth of the East Coast and Negeri Sembilan via enhanced connectivity. However, we have yet to receive official feedback on the proposed ECRL station(s) in the State. While Jelebu is not part of the lands owned by Sime Darby Property, the impact of this re-routing is expected to yield significant spill-over potential to surrounding areas in light of the current rail connectivity of MVV 2.0's Parcel A: High Technology and Industrial Park, which already links MVV 2.0 to both Kuala Lumpur and Singapore.*

5) The Company has a sales target of RM2.2 billion for FY 2019. Kindly provide additional information on:

i) The breakdown of the sales target by property project;

Response:

*The Company has a sales target of RM2.3 billion for FY2019. The breakdown of the estimated sales target are as follows:*

a) *By Type*

- *Residential (Landed) – 50%*
- *Residential (High Rise) – 30%*
- *Industrial – 15%*
- *Commercial – 5%*

b) *By Location*

- *Greater Klang Valley – 55%*
- *Along Guthrie Corridor Expressway – 25%*
- *Negeri Sembilan and Johor – 20%*

ii) The measures taken to achieve the sales target;

Response:

*Measures and initiatives taken include:*

a) *Re-pricing and review of pipeline launches*

- *The Company had taken measures to re-price some of its aged inventories (mainly in the KLGCC Resort development) and review its pipeline launches such that they are aligned closely to market demand in relation to price, type, timing and location to ensure high take-up.*

b) *Primetime 8 Campaign*

- *Leveraging on the recent Home Ownership Campaign 2019 (“HOC”), the Company introduced 8 new launches and previews over 8 consecutive weeks throughout March & April 2019*
- *The campaign focused on landed terrace from RM500,000 to RM800,000 and high rise from RM500,000 to RM900,000*
- *Launches in this campaign include Elmina Valley 5 (Elmina West), which saw a take-up of 98% and Elsa (Bandar Bukit Raja) which saw a take-up of 95%*
- *Stamp duty waiver on memorandum of transfer and loan agreement and rebates were provided during the campaign*

c) *Launch of dto*

- *An innovative co-creation and crowd sourcing platform that allows potential customers to vote for their preferred development concept, design and amenities of a future property*
- *dto is expected to change the sales approach for two high-rise projects in Subang Jaya City Centre and Putra Heights*

- d) *Raya Campaign*
  - *Campaign will run from May to June 2019*
  - *Raya rebates will be provided, and open-houses will be held at key sales galleries to drive sales during the period*
- iii) The latest sales figure.

Response:

*The Company has achieved more than RM0.4 billion in sales for the first three months of FY2019, representing approximately 20% of the FY2019 sales target. The Group is confident it can achieve its sales target with the six-month HOC serving as a much needed catalyst in a time when the market is facing a slowdown.*

2.4 The Chairman then opened the floor for questions and answers. The questions / comments raised at the Meeting were responded by the Chairman / Chairman of the Nomination and Remuneration Committee (“NRC”) / GMD / Executive Director respectively, as follows:

- 1) Comments from Encik Leong Ngoo @ Leong Yue Thin (shareholder)
  - i) A salesperson had, during a sale transaction, conveyed to a purchaser that each shop office unit in Oasis Square and Oasis Corporate Park would be entitled to its designated car park bay with no additional fees charged. However, after several years, the purchaser was informed that the use of the said car park would be subject to certain fees, as enumerated in the respective Sale and Purchase Agreements (“SPA”). The said clause in the SPA was rather ambiguous.
  - ii) The developer of Oasis Square, namely Sime Darby Brunfield Group, had allegedly refused to hand over certain documentation relating to Oasis Square project to the Joint Management Body.
  - iii) The service fees charged for the units owned by Sime Darby Brunfield Group was lower as compared to the fees payable by other purchasers or owners. All unit owners should pay a fair and equivalent amount of service fee to the Property Management.
  - iv) The composition of the Joint Management Committee (“JMC”) of Oasis Square was dominated by the representatives from Sime Darby Brunfield Group. The composition of the JMC should be balanced in order to encourage fair decisions and discussions.
  - v) There was an attempt to deliver a letter to communicate directly with Sime Darby Brunfield highlighting the issues relating to Oasis Square or Oasis Corporate Park but to no avail.



Response:

- a) *The Chairman assured the shareholders that the Group would address the issues raised by Encik Leong Ngoo @ Leong Yue Thin accordingly. The Group recognised the importance of continuous engagement with its shareholders and the Board would set its benchmark of turnaround time to respond to all enquiries received.*
- b) *Dato' Wan Hashimi Albakri W.A.A Jaffri, the Group Chief Operating Officer – Township reaffirmed the statement by the Chairman and requested to meet Encik Leong Ngoo @ Leong Yue Thin after the Meeting to deep dive into the issues and to look into ways to manage them effectively.*

2) Questions / Comments from Encik Venkatachalam Alagappan (shareholder)

- i) Based on Note 17 to the Audited Financial Statements, there was an under provision of income tax in respect of prior financial years. How did the Company recognise such under provision of income tax? What was the basis for the said tax provision?
- ii) Given that the Company had made a tax provision in its financial statements, should the shareholders assume that the Company would be paying such amount to the Inland Revenue Board (“IRB”)? Income tax payable should be recognised as a contingent liability if the Company was in the midst of contesting with or appealing to the IRB.
- iii) Was there a possibility that the Company would not be required to pay income tax in full as provided in the financial statements and in what circumstances would allow a reversal of tax liabilities in the future?
- iv) Was the net realisable value of inventories amounting to RM491.5 million lower than the development cost? Have the Company been selling its property at a price lower than the costs, due to this?
- v) There was a write-down of completed development units amounting to RM110.9 million and RM4.7 million. Did the Board foresee that the Group need to make a further provision in disposing the unsold units of the said completed development?
- vi) Based on the Statements of Profit or Loss of the Company, the Group had experienced a margin pressure during the six (6) months financial period ended 31 December 2018 as the gross profit margin appeared to be compressed from 25% to 15%. Did the Board foresee that there would be a further profit margin compression in the future?

Response:

a) Taxation Matters

aa) *Dato' Sri Amrin Awaluddin responded that the under provision in prior years taxation was made mainly due to the following factors:*

- *Difference between the taxable amount reported by the Company and the taxable amount computed by the IRB based on the treatments and assumptions used by the IRB with regards to Income Tax and Real Property Gains Tax ("RPGT"). According to the IRB, some of the income received by the Company were subject to Income Tax instead of RPGT as reported by the Company.*
- *Difference between tax treatments for land acquired for current use and tax treatments for land acquired for future developmental purposes.*

bb) *The tax provisions were made based on the estimated additional taxable amount computed by the IRB for several transactions. The final taxable amount had yet to be communicated to the Group. The Group had been engaging with the IRB on their preliminary findings of the tax audits and the basis of the treatments and assumptions used by the IRB in computing the purported additional taxes. External tax consultant and the legal consultant had also been engaged to advise on the Group's tax position.*

cc) *Datuk Tong Poh Keow, Executive Director, explained further that there was an additional tax provision of RM177.5 million specifically on the transactions audited by the IRB with regards to the two (2) factors as explained by Dato' Sri Amrin Awaluddin under item (a) (aa) above. There was also an introduction of accounting standards namely, IC Interpretation 23 (Uncertainty over Income Tax Treatments) which provided guidance on how to recognise and measure deferred and current income tax assets and liabilities where there was uncertainty over a tax treatment. The Company had yet to fully adopt the IC Interpretation 23 as its adoption was not mandatory as of to-date.*

dd) *In applying the IC Interpretation 23, the Group had taken into account the on-going taxation matters with the IRB vis-à-vis the treatment of income tax and RPGT as well as interest restrictions. The Company viewed that the tax provisions for the financial period under review were made based on prudent basis. The amount could be adjusted further but unlikely to be written back in totality. Nevertheless, an over provision could be reversed in future reporting.*

ee) *Datuk Tong Poh Keow added that the Group would also take the opportunity to participate in the Special Programme for Voluntary Disclosure introduced by the IRB in order to minimise the quantum of penalty to be imposed by the IRB, if any. The penalty rate to be imposed by the IRB would be reduced from 45% to 10% under the said Special Programme. Therefore, it was imperative for the Group to thoroughly assess its tax position on the matter.*

b) Inventories

aa) *Datuk Tong Poh Keow explained that the Group was required to disclose the value of inventory carried at cost and net realisable value. The net realisable value of RM491.5 million reported in the financial statements was indeed lower than the cost incurred given that the realisable value was expected to be below the carrying value.*

bb) *The write-down of completed development units of RM110.9 million and RM4.7 million was in relation to one (1) major development project. The Group considered that it had made a significant provision for the inventories as the inventories were assessed based on the current market and potential selling price expected to be agreeable by the purchasers. The Group had consistently evaluated the present value of its inventories for preparation of financial statements. The Group believed that the amount provided was adequate and equivalent to the current selling prices being promoted by the Sales and Marketing team of the Group.*

c) Margin Pressure

aa) *Dato' Sri Amrin Awaluddin responded that the margin compression was mainly affected by the following:*

- *Gross profit margin of the Group had been dominated by land sales for the past two (2) to three (3) years as the Group had actively been selling lands compared to development projects. The selling of development projects was intensified during the six (6) months financial period ended 31 December 2018.*

- *Announcements by other property development peers on margin compressions.*

bb) *Profit margin to be set for the Group would be contingent upon the location of the Group's products. Certain projects located in strategic locations would still be able to generate a good profit margin.*

cc) *Datuk Tong Poh Keow explained that apart from the two (2) factors as clarified by Dato' Sri Amrin Awaluddin under item (c) (aa) above, the write-down of development cost included in the cost of sales had partly caused the decrease in gross profit margin. If these items were excluded from the reporting, the gross profit margin for the six (6) months financial period ended 31 December 2018 would be slightly higher than the preceding year corresponding six (6) months period, i.e. at 25% compared to 20.5% based on unaudited figures.*

d) *The Chairman informed the shareholders that current challenging environment was expected to continue in the next few years. The Company would be able to start off the year 2019 with a clean slate upon the one-off write-down, write-off of inventories as well as the re-planning of launches. The Company would be able to focus on enhancing potential of what it could deliver.*

3) Question from Encik Lee Chee Meng (representative of MSWG)

i) What was the Board's stance on the issue raised by MSWG at the last AGM concerning the relevant Executive Directors' position on other Boards which was not related to the Group?

Response:

a) *Dato' Sri Amrin Awaluddin responded that the Board had amended the Code of Business Conduct ("COBC") of Sime Darby Property Group with the additional requirement in the COBC to obtain approval for Board Directorships outside the Group of companies.*

b) *In view that the question raised by MSWG at the last AGM was in relation to Dato' Sri Amrin Awaluddin's other directorships, Dato' Sri Amrin Awaluddin informed the shareholders that he had resigned from the Board of CIMB Bank Berhad and would resign from the Board of Taliworks Corporation Berhad.*

c) *Datin Nor Azah Razali, Chairman of the NRC, added that the Board had, on 16 January 2019, amended its Board Charter to ensure the Directors and GMD of Sime Darby Property would not hold any position in other companies which might be competing with the Group or create potential conflict of interest.*

4) Questions / Comments from Encik Leo Ann Puat (shareholder)

i) The comparison of the Group's performance against the preceding year corresponding period as provided under the Group Financial Review on page 51 of the Annual Report was inadequate for the shareholders' information. The Board should consider providing a comprehensive comparison of the financial statements if the financial period under review differs from the previous financial period.

- ii) Please provide the financial outlook on the leisure and hospitality segment's performance for year 2018 and year 2019.
- iii) Was the sales target of RM2.3 billion for FY2019 realistic to be achieved? Based on the Company's response to questions raised by MSWG, the Company had merely attained 20% of the FY2019 sales target, i.e. RM0.4 billion in sales in the first quarter of FY2019. This would mean that the Group could merely achieve RM1.6 billion in sales if it consistently achieves the same amount in every other quarters.
- iv) Share price movement had not been encouraging due to challenges in the property market. However, it was noticeable that the team had been giving their best effort to improve and accelerate sales by actively advertising and promoting the Group's products. Compared to previous years, recent marketing activities of the Group had notably improved.

Response:

- a) *The Chairman responded that the Group had been striving to work hard on many avenues including raising the level of efficiency. The Company believed that improvement in efficiency would indirectly induce improvement of the Group's performance. Focus is directed to achieving the targets as described in the Group's strategy, and all risks associated with the Group's business were / would be recognised and managed.*
- b) *Dato' Sri Amrin Awaluddin informed the shareholders that there were three (3) businesses operated by the Group under the leisure and hospitality segment namely:*
  - aa) *A golf course known as Tournament Players Club Kuala Lumpur ("TPC Kuala Lumpur");*
  - bb) *A golf course known as Impian Golf & Country Club; and*
  - cc) *Sime Darby Convention Centre ("SDCC").*
- c) *It had been the Group's objective to turnaround the leisure and hospitality segment as the performance was considered critical. This segment had been in a loss position for the past few years given the high fixed cost and set up cost in operating the golf courses. Despite the challenges, the Group believed that it could still strive to improve revenue and cost management for this segment. The CEO of Leisure, Encik Steven Allan Thielke had been tasked to turnaround leisure segment by increasing the revenue and ensuring effective cost management. Encik Steven Allan Thielke would be able to provide an update on the turnaround progress at the next AGM of the Company, if required.*

- d) *Datuk Tong Poh Keow responded that the Sales and Marketing team had been striving to meet the Group's sales target of RM2.3 billion. As presented by the GMD, the Group had made a one-off write-down, write-off, impairment and provision totaling RM438.4 million. If the said adjustments were excluded from the reporting, the Group's profit would be higher by the same amount.*
- e) *The Group was optimistic that it would be able to meet the sales target by end of the year 2019. The Group had completed the sale of Darby Park Executive Suites in Singapore on 31 January 2019 for a consideration of SGD93.0 million. The proceeds from the sale of the said asset would be recognised as profit for the current financial year.*
- f) *The six (6) months period comparison was provided under the Group Financial Review in the Abridged Annual Report sent to the members on 3 April 2019.*

5) Questions / Comments from Puan Chong Siew Yoon (shareholder)

- i) The Board should consider improving the speed of SDCC's wireless fidelity ("Wi-Fi") as the shareholders had been facing difficulties in accessing the internet through the Wi-Fi provided at SDCC due to its slow internet connection.
- ii) The news had recently reported that Sime Darby Property had, through Sime Darby Plantation Berhad ("Sime Darby Plantation"), filed a judicial review application to stop the compulsory acquisition of its 75 hectares land in Merlimau, Melaka ("the Land"), by GI A Resources Sdn Bhd, a Taiwan-controlled company that claimed it was acting in the interest of the former Yang di-Pertuan Agong, Sultan Muhammad V, to compel it to sell the Land at a below market value price of RM35.282 million.  
  
What was the chance of winning the said judicial review application since the case involved the interest of the former Yang di-Pertuan Agong?
- iii) Many shareholders especially the senior citizen preferred commuting to SDCC using public transportation. However, the lack of public transport connectivity to the SDCC had averted the shareholders from being able to use the public transportation.

Response:

- a) *The Chairman responded that the judicial review application was concerning Sime Darby Plantation as the Land was owned by Sime Darby Plantation. Therefore, it would not be appropriate for the Board to address the matter at the Meeting. However, as a principle for the Company, the Board viewed that any sale of land should not be made at a consideration that is lower than its valuation.*

- b) *Dato' Sri Amrin Awaluddin explained that the Wi-Fi connectivity would be slowed down if the number of users increases. This might be the reason for the slow internet connection given the number of shareholders present at the AGM. Nevertheless, the Board and Management would strive to rectify the issue accordingly.*
- c) *The Board would address the issue on public transport connectivity to the SDCC accordingly.*

6) Questions from Encik Lee Lai Tiam (shareholder)

- i) What was the Board's opinion on the level of inventories of the Group?
- ii) The value of inventories under Current Asset was approximately RM4.6 billion. What was the Board's plan in reducing the inventories?
- iii) Had the Group been actively marketing all the unsold inventories?
- iv) The Group had reported the total borrowings of approximately RM3.3 billion as of 31 December 2018. What was the expected level of borrowings for the Group moving forward?
- v) Were there any measures implemented to reduce the Group's borrowings moving forward?

Response:

- a) *The Chairman responded that the Management team had been aggressively improving the sales and marketing of the unsold inventories. The team had taken a comprehensive approach to reduce the current inventories. This matter had been extensively discussed at the Board and Management levels and a comprehensive plan had been put in place to address the matter.*
- b) *Dato' Sri Amrin Awaluddin added that as provided in the GMD's presentation earlier, the key focus of the Group was to address the inventory level especially the completed inventories. The Group had applied several approaches to reduce the unsold inventories, for instance, running a campaign called Primetime 8 in conjunction with the Home Ownership Campaign ("HOC") introduced by the Government recently, and recognising impairments. The Primetime 8 campaign had assisted in improving the sales of unsold inventories.*
- c) *The Group's key priority moving forward was to address the inventory level and to avoid accumulating more unsold units. Management would carefully review new launches plan to ensure all projects to be launched by the Group would be fully taken up before completion.*

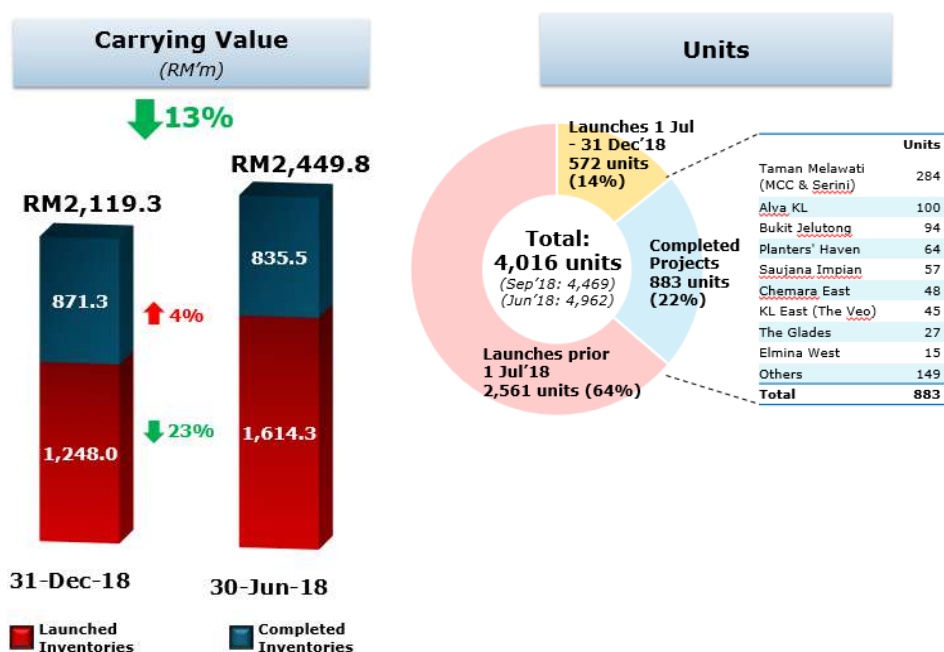
d) The Group's gearing ratio had increased from 25.5% to 34.6% as at 31 December 2018. The level of borrowings was still manageable as the borrowings was utilised for investments in future revenue generating assets. The Group had embarked the monetisation strategy, and the proceeds from the monetisation of assets would be utilised for reducing bank borrowings. The gearing ratio had maintained below the maximum gearing ratio allowed by the Group's policy, i.e. not exceeding 0.5x or 50%.

7) Questions / Comments from Encik Mootha Kumaran a/l Bass (shareholder)

- i) The Finance Minister had recently announced the percentage of unsold units in Malaysia. Were there any unsold units under Sime Darby Property? If yes, what was the value of the unsold units?
- ii) It was commendable that the Group had incurred very low capital expenditure during the financial period. It was a wise action by the Group, given the current challenges in the property industry.
- iii) The Group must ensure transparency on all matters pertaining to the Group to avoid any disputes in the future.
- iv) Encik Mootha Kumaran a/l Bass commended the Chairman for her effective leadership of the Meeting. He also praised Datuk Tong Poh Keow for her outstanding performance as an Executive Director / Group Chief Financial Officer of the Company.

Response:

a) Dato' Sri Amrin Awaluddin highlighted that the current inventories as at 31 December 2018 were as follows:





- b) *The Board and Management had been monitoring the level of inventories closely. It would be a challenge for the Group to reduce the unsold completed inventories. The Group's strategy moving forward was to address all existing inventories and new inventories from new launches. The objective for new launches was to ensure that all units launched be taken up in totality. As for the completed inventories, the Group had started a campaign to clear all the unsold completed inventories.*
- c) *Dato' Sri Amrin Awaluddin assured the shareholders that under the leadership of Tan Sri Dr. Zeti Akhtar Aziz, the Board had been upholding the highest standards of integrity, ethical conduct and corporate governance in discharging their duties and in dealing with the stakeholders and regulators. The Board had adopted a COBC which outlined the standards of behaviour that Sime Darby Property expected from its Directors, Management and employees. The COBC also governed the Group's joint venture partners, consultants, vendors or counterparties.*

8) Question / Comment from Puan Lu Loke Moy (shareholder)

- i) How many years had passed since SDCC started operating?
- ii) There was a lack of public transport connectivity with the SDCC compared to other convention centres around the Klang Valley area. The said matter and the Wi-Fi connection issue raised by Puan Chong Siew Yoon should be addressed as soon as possible to revitalise the business of SDCC.

Response:

- a) *Dato' Sri Amrin Awaluddin responded that SDCC had been in operation for nearly twenty (20) years.*
- b) *The Chairman assured the shareholders that the Board and Management would look into the matters raised by Puan Lu Loke Moy.*

9) Question / Comment from Encik Leo Ann Puat (shareholder)

- i) Each individual might have different opinions and views on SDCC and not all shareholders considered SDCC as an inconvenient venue.
- ii) What was the status of the appointment of new GMD in place of Dato' Sri Amrin Awaluddin who would be leaving the Group on 3 May 2019?

Response:

- a) *The Chairman responded that the NRC had commenced the search process immediately upon receipt of the Notice of Resignation from Dato' Sri Amrin Awaluddin. The Board and NRC had been reviewing the profile of candidates extensively to ensure that a right candidate would be selected to lead the Group.*

- b) *Datin Nor Azah Razali reiterated that the search process had commenced and the NRC was in the midst of selection process to appoint the right candidate to assume the Group Chief Executive Officer (“CEO”) role. The Board hoped that the Company would be able to announce the appointment of its new Group CEO in the next few months.*

10) Questions from Encik Lim Pin Yeong

- i) How many completed units remained unsold as of 31 March 2019?
- ii) The GMD had during his presentation shared that based on the information obtained from the National Property Information Centre (“NAPIC”), the total amount of unsold residential units in Malaysia as at 30 September 2018 stood at 127,267. However, based on the information obtained from the Real Estate and Housing Developers’ Association (“REHDA”), there were approximately 150,000 residential units remained unsold. Which information should the shareholders refer?
- iii) Where was the location of KL East Mall?
- iv) Was the on-going project in Nilai and Labu part of the MVV project?

Response:

- a) *Dato’ Sri Amrin Awaluddin responded that the total unsold units as at 31 December 2018 was 4,016 units including units which were booked recently. The said amount would reduce once the booking was translated into sales. The amount of completed unsold units as of 31 December 2018 was 883 units.*
- b) *The Directors were not able to share the number of unsold completed units as of 31 March 2019 as the figures had yet to be finalised. Nevertheless, the Group assured the shareholders that the number of unsold units had been decreasing gradually since January 2019. Management believed that the issue of unsold inventories within Sime Darby Property Group was manageable and could be resolved.*
- c) *KL East Mall was located in Melawati, Kuala Lumpur nearby Melawati Mall. The location of the mall was strategic as there was no other mall within 5 km radius to the KL East Mall, other than the Melawati Mall. KL East Mall was a lifestyle mall surrounded by the Group’s existing development, namely The Véo, Serini Melawati and future development namely, The Ridge.*
- d) *One (1) of the Group’s development called Nilai Impian was located in Nilai, Labu. The take-up rate of projects within the said township was quite promising and there would be future launches in Nilai Impian within this year. The target purchasers were individuals from Putrajaya, Cyberjaya and Klang Valley areas.*

11) Questions / Comments from Encik Koh Soo Hiong (proxy)

- i) The Chairman's assurance on a timely response to queries raised by the shareholders was appreciated.
- ii) Encik Koh Soo Hiong was concerned on the Company's intention to participate in the Special Programme for Voluntary Disclosure offered by the IRB. Prior to demerger in 2017, matters relating to tax compliance of Sime Darby Property had been handled by a Tax Controller from Sime Darby Berhad. Did Sime Darby Property appoint a competent Tax Controller to manage the tax compliance of the Group?
- iii) What was the basis for the Company to consider making a voluntary disclosure under the said Special Programme? Did the IRB issue a Notice of Assessment to the Company for the alleged underpayment of income tax?
- iv) The Company should dispute on the tax issues in the interest of the Company if it had reasonable grounds to prove that the Company's tax treatment on the income received from the sale of investment property was accurate.
- v) Similar tax issue would recur when the Company execute further monetisation of passive assets in the future if the Company's position on the tax treatment of income from the sale of investment property was not ascertained. The Group should also consider the tax treatment for the sale of an asset in Singapore recently.

Response:

- a) *Datuk Tong Poh Keow explained that the tax issues were in respect of the Group's Income Tax since the Year of Assessment 2010 when the Company was still under the Sime Darby Berhad Group. Hence, the issue was not relevant to the current employment of tax person by Sime Darby Property.*
- b) *The sale of Darby Park Executive Suites in Singapore was subject to Capital Gains Tax in Singapore.*
- c) *The IRB had not raised any Notice of Assessment to the Group on the tax matters highlighted earlier. The Company was still in the midst of a discussion with the IRB on some issues raised by the IRB. One (1) of the issues was in relation to the tax treatment for land transferred to the landowner around year 2011 as the IRB claimed that there were signs of enhancement made to the land. There were different tax treatments for assets acquired for current use or future developmental purposes.*

2.5 The Chairman thanked the members and proxies for their comments and questions and assured the shareholders that the Board would follow up on the matters highlighted by them accordingly.

### **3.0 AUDITED FINANCIAL STATEMENTS FOR THE SIX (6) MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2018**

- 3.1 The Chairman informed the Meeting that the first item on the Agenda was to receive the Audited Financial Statements for the six (6) months financial period ended 31 December 2018 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 46th AGM, the AFS would not be put forward for voting. This was in line with the provisions of Section 340(1) of the Companies Act 2016 which only require the Audited Financial Statements to be laid before the shareholders. The AFS was provided in the Annual Report from pages 197 to 309 followed by the Independent Auditors’ Report on pages 203 to 209.
- 3.3 As proposed by the Chairman and seconded by Encik Mootha Kumaran a/l Bass (shareholder), the Independent Auditors’ Report in the Annual Report was taken as read.
- 3.4 The Chairman then opened the floor for questions on the AFS.
- 3.5 Since there were no questions raised by the members, it was taken that the AFS of the Company had been duly received by the members.

### **4.0 ORDINARY RESOLUTIONS 1, 2 AND 3 - RE-ELECTION OF DIRECTORS PURSUANT TO RULE 111 OF THE COMPANY’S CONSTITUTION**

- 4.1 The Chairman informed the Meeting that Agenda Item No. 2 was in relation to the re-election of the following Directors of the Company who retired by rotation in accordance with Rule 111 of the Company’s Constitution and who were eligible had offered themselves for re-election:
- 1) Datuk Dr. Mohd Daud Bakar (under Ordinary Resolution 1);
  - 2) Dato’ Seri Ahmad Johan Mohammad Raslan (under Ordinary Resolution 2);  
and
  - 3) Datin Norazah Mohamed Razali (under Ordinary Resolution 3).
- 4.2 The Chairman further informed the Meeting that the profiles of the proposed Directors standing for re-election had been provided to the members in the Annual Report on pages 101 to 103.
- 4.3 The Chairman highlighted that in line with the best practice in corporate governance, the Board through its NRC, had conducted the necessary assessment on each of the Directors standing for re-election based on the relevant performance criteria. In this respect, the Board had approved the recommendation of the NRC that the said Directors were eligible to stand for re-election.
- 4.4 The Chairman then opened the floor for questions on the Ordinary Resolutions 1, 2 and 3.
- 4.5 Since there were no questions raised by the members, the Chairman proceeded to table the Ordinary Resolutions 1, 2 and 3 in separate motions.

4.6 **Ordinary Resolution 1**  
**– Re-election of Datuk Dr. Mohd Daud Bakar**

4.6.1 The Chairman proposed, and Encik Dickson Ng Sek Wah (proxy) seconded the following motion:

*“THAT Datuk Dr. Mohd Daud Bakar, who retired by rotation pursuant to Rule 111 of the Constitution of the Company, be re-elected as a Director of the Company.”*

4.6.2 The Chairman informed the Meeting that voting on the Ordinary Resolution 1 would be conducted on a poll upon completion of the remaining business of the Meeting.

4.7 **Ordinary Resolution 2**  
**– Re-election of Dato’ Seri Ahmad Johan Mohammad Raslan**

4.7.1 The Chairman proposed, and Encik Mootha Kumaran a/l Bass (shareholder) seconded the following motion:

*“THAT Dato’ Seri Ahmad Johan Mohammad Raslan, who retired by rotation pursuant to Rule 111 of the Constitution of the Company, be re-elected as a Director of the Company.”*

4.7.2 The Chairman informed the Meeting that voting on the Ordinary Resolution 2 would be conducted on a poll upon completion of the remaining business of the Meeting.

4.8 **Ordinary Resolution 3**  
**– Re-election of Datin Norazah Mohamed Razali**

4.8.1 The Chairman proposed, and Encik Chew Chee Wei (shareholder) seconded the following motion:

*“THAT Datin Norazah Mohamed Razali, who retired by rotation pursuant to Rule 111 of the Constitution of the Company, be re-elected as a Director of the Company.”*

4.8.2 The Chairman informed the Meeting that voting on the Ordinary Resolution 3 would be conducted on a poll upon completion of the remaining business of the Meeting.

5.0 **ORDINARY RESOLUTION 4**  
**- RE-ELECTION OF DIRECTOR PURSUANT TO RULE 92.3 OF THE COMPANY’S CONSTITUTION**

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5.1 The Chairman informed the Meeting that Agenda Item No. 3 was in relation to the re-election of Datuk Poh Pai Kong as a Director of the Company who retired in accordance with Rule 92.3 of the Company’s Constitution.

5.2 The Chairman further informed the Meeting that the profile of Datuk Poh Pai Kong had been provided to the members in the Annual Report on page 105.

5.3 The Chairman then opened the floor for questions on the Ordinary Resolution 4.

- 5.4 Since there were no questions raised by the members, the Chairman proposed and Encik Mootha Kumaran a/l Bass (shareholder) seconded the following motion:

*“THAT Datuk Poh Pai Kong, who retired pursuant to Rule 92.3 of the Constitution of the Company, be re-elected as a Director of the Company.”*

- 5.5 The Chairman informed the Meeting that voting on the Ordinary Resolution 4 would be conducted on a poll upon completion of the remaining business of the Meeting.

**6.0 ORDINARY RESOLUTION 5**  
**- PAYMENT OF DIRECTORS’ FEES TO THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD FROM 3 MAY 2019 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN YEAR 2020**

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- 6.1 The Chairman informed the Meeting that Ordinary Resolution 5 was in relation to the payment of Directors’ Fees to the Non-Executive Directors (“NED”) for the period from 3 May 2019 until the next AGM of the Company to be held in year 2020.

- 6.2 The quantum of fees payable to the NED of the Company for the period from 3 May 2019 until the next AGM of the Company was set out in the Explanatory Note 4 of the Notice of the 46th AGM.

- 6.3 The Chairman then opened the floor for questions on the Ordinary Resolution 5.

- 6.4 Since there were no questions raised by the members, the Chairman invited the members from the floor to propose and second the motion.

- 6.5 Encik Dickson Ng Sek Wah (proxy) proposed, and Encik Mootha Kumaran a/l Bass (shareholder) seconded the following motion:

*“THAT the payment of Directors’ Fees to the Non-Executive Directors for the period from 3 May 2019 until the next AGM of the Company to be held in year 2020, be approved.”*

- 6.6 The Chairman informed the Meeting that voting on the Ordinary Resolution 5 would be conducted on a poll upon completion of the remaining business of the Meeting.

**7.0 ORDINARY RESOLUTION 6**  
**- PAYMENT OF BENEFITS TO THE NON-EXECUTIVE DIRECTORS UP TO AN AMOUNT OF RM500,000 FOR THE PERIOD FROM 3 MAY 2019 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN YEAR 2020**

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- 7.1 The Chairman informed the Meeting that Ordinary Resolution 6 was in relation to the payment of benefits to the NED up to an amount of RM500,000 for the period from 3 May 2019 until the next AGM of the Company to be held in year 2020.

- 7.2 The Chairman highlighted that pursuant to Section 230(1) of the Companies Act 2016 which provided amongst others, “any benefits” payable to the directors of a listed company and its subsidiaries should be approved at a general meeting.

- 7.3 The Chairman further informed the Meeting that the details of the benefits sought to be approved under Ordinary Resolution 6 were set out in the Board Remuneration Framework under pages 132 to 134 of the Corporate Governance Overview Statement in the Annual Report and should be read together with Explanatory Note 5 of the Notice of 46th AGM.
- 7.4 The Chairman then opened the floor for questions on the Ordinary Resolution 6.
- 7.5 Since there were no questions raised by the members, the Chairman invited the members from the floor to propose and second the motion.
- 7.6 Encik Mootha Kumaran a/l Bass (shareholder) proposed, and Encik Dickson Ng Sek Wah (proxy) seconded the following motion:
- “THAT the payment of benefits to the Non-Executive Directors up to an amount of RM500,000 for the period from 3 May 2019 until the next AGM of the Company to be held in 2020, be approved.”*
- 7.7 The Chairman informed the Meeting that voting on the Ordinary Resolution 6 would be conducted on a poll upon completion of the remaining business of the Meeting.

## **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 for the financial year ending 31 December 2019 and to authorise the Director to fix their remuneration. The Auditors, 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 2019 based on the Audit Committee’s recommendation.
- 8.3 The Chairman then opened the floor for questions on the Ordinary Resolution 7.
- 8.4 Since there were no questions raised by the members, the Chairman proposed and Encik Mootha Kumaran a/l Bass (a shareholder) seconded the following motion:
- “THAT PricewaterhouseCoopers PLT be re-appointed as Auditors of Sime Darby Property Berhad for the financial year ending 31 December 2019 at a remuneration to be determined by the Directors.”*
- 8.5 The Chairman informed the Meeting that voting on the Ordinary Resolution 7 would be conducted on a poll upon completion of the remaining business of the Meeting.

**9.0 ORDINARY RESOLUTION 8**  
**- RETENTION OF TENGKU DATUK SERI AHMAD SHAH ALHAJ IBNI ALMARHUM SULTAN SALAHUDDIN ABDUL AZIZ SHAH ALHAJ AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

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9.1 The Chairman informed the Meeting that Ordinary Resolution 8 was in relation to the retention of Tengku Datuk Seri Ahmad Shah Alhaj Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj as Independent Non-Executive Director.

9.2 The Chairman further informed the Meeting the following:

- 1) Tengku Datuk Seri Ahmad Shah Alhaj would reach the nine (9) year term as an Independent Non-Executive Director on 30 December 2019. The proposed Resolution 8, if passed, would allow Tengku Ahmad Shah to be retained and continue to act as an Independent Non-Executive Director until the conclusion of the next AGM of the Company.
- 2) The Board, through its NRC, had assessed the independence of Tengku Ahmad Shah and agreed that the retention of him as Independent Director was in the best interest of the Company. The NRC therefore recommended to retain him as an Independent Non-Executive Director of the Company. Details of the Board's justification and recommendation for the said retention were provided in the Corporate Governance Overview Statement on page 125 of the Annual Report.
- 3) The Board had endorsed the NRC's recommendation and was of the view that his retention as Independent Non-Executive Director was in the best interest of the Company.
- 4) The profile of Tengku Ahmad Shah had been provided to the members in the Annual Report on page 99.

9.3 The Chairman then opened the floor for questions on the Ordinary Resolution 8.

9.4 Since there were no questions raised by the members, the Chairman proposed and Encik Mootha Kumaran a/l Bass (shareholder) seconded the following motion:

*"THAT approval be and is hereby given to Tengku Datuk Seri Ahmad Shah Alhaj ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj, the Independent Non-Executive Director of the Company who will reach the nine (9) year term on 30 December 2019, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting."*

9.5 The Chairman informed the Meeting that voting on the Ordinary Resolution 8 would be conducted on a poll upon completion of the remaining business of the Meeting.

**10.0 ORDINARY RESOLUTION 9**  
**- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 75 AND SECTION 76 OF THE COMPANIES ACT 2016**

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10.1 The Chairman informed the Meeting that Ordinary Resolution 9 was in relation to the renewal of the general mandate to issue shares pursuant to Section 75 and 76 of the Companies Act 2016 obtained at the Forty-Fifth AGM of the Company on 31 October 2018 which would lapse at the 46th AGM.



- 10.2 The Chairman further informed the Meeting the following:
- 1) The general mandate, if passed, would provide flexibility for the Company and empower the Directors to allot and issue new shares in the Company for any fundraising activities, including but not limited to the placing of shares, for working capital, funding future investments and / or funding of strategic development of the Group.
  - 2) The renewal of the general mandate was sought to avoid any delay arising from and cost in convening a general meeting to obtain approval of the shareholders for such issuance of shares, up to an amount not exceeding in total ten percent (10%) of the total number of issued shares of the Company, as the Directors consider appropriate in the best interest of the Company.
  - 3) The authority, unless revoked or varied by the Company at a general meeting, would expire at the next AGM of the Company.
- 10.3 The Chairman highlighted that there were no new shares issued pursuant to the general mandate approved at the last AGM held on 31 October 2018. As at the date of the Notice of 46th AGM, there was no decision to issue new shares. The Company would announce the actual purpose and utilisation of proceeds arising from the issuance of shares, should there be a decision to issue new shares after the authorisation be sought.
- 10.4 The Chairman then opened the floor for questions on the Ordinary Resolution 9.
- 10.5 Since there were no questions raised by the members, the Chairman proposed and Encik Dickson Ng Sek Wah (proxy) seconded the Ordinary Resolution 9.
- 10.6 The Chairman informed the Meeting that voting on the Ordinary Resolution 9 would be conducted on a poll upon completion of the remaining business of the Meeting.
- 11.0 ORDINARY RESOLUTION 10**  
**- PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**
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- 11.1 The Chairman informed the Meeting that Ordinary Resolution 10 on the Agenda was in relation to the Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions ("RRPT") and Proposed New Shareholders' Mandate for Additional RRPT of a Revenue or Trading Nature. The details of the proposals were set out in the Circular to Shareholders dated 3 April 2019, a copy of which had been sent to the members together with the Abridged Annual Report for the period ended 31 December 2018.
- 11.2 The Chairman further informed the Meeting the following:
- 1) The proposed Ordinary Resolution 10, once approved, would enable the Company and / or its subsidiary companies to enter into RRPT of Revenue or Trading Nature pursuant to the provisions of the Listing Requirements of Bursa Securities. The mandate shall continue to be in force until the next AGM of the Company.

- 2) The RRPT were conducted in the ordinary course of business with the related parties and were on normal commercial terms which were not more favourable to the related parties than those generally available to the public and were not detrimental to the minority shareholders.
- 11.3 The Chairman informed the Meeting that all the Directors of the Company were deemed interested in the RRPT under item 2 of Section 2.4 (i) (Sale of properties by Sime Darby Property Group) of the Circular to Shareholders dated 3 April 2019. The estimated aggregate value of this category of this transaction could not be ascertained given the various types of properties sold by the Group with prices varying from project to project. However, in accordance with Paragraph 3.3 (a) of Practice Note 12 of the Listing Requirements, the value of the transaction shall not exceed 10% of any one of the percentage ratios.
- 11.4 The Chairman added that she, Datuk Dr. Mohd Daud Bakar and Encik Rizal Rickman Ramli were also deemed interested in the Recurrent Related Party Transaction under items 1 and 2 of Section 2.4 (ii) (Transactions entered into between Sime Darby Property Group with Sime Darby Berhad Group and Sime Darby Plantation Berhad Group) by virtue of them being the representatives of Permodalan Nasional Berhad on the Board of Sime Darby Property.
- 11.5 In view of the above, all Directors of the Company would abstain from voting on Ordinary Resolution 10.
- 11.6 The Chairman then opened the floor for questions on the Ordinary Resolution 10.
- 11.7 Since there were no questions raised by the members, the Chairman invited the members from the floor to propose and second the motion.
- 11.8 Encik Mootha Kumaran a/l Bass (shareholder) proposed, and Encik Dickson Ng Sek Wah (proxy) seconded Ordinary Resolution 10.
- 11.9 The Chairman informed the Meeting that voting on the Ordinary Resolution 10 would be conducted on a poll upon completion of the remaining business of the Meeting.

## **12.0 ANY OTHER BUSINESS**

- 12.1 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.
- 12.2 The Chairman further informed the Meeting that the Group Secretary had confirmed that no notice had been received from the members to transact any other ordinary business at the Meeting.
- 12.3 Since there was no other business, the Chairman thanked the members, corporate representatives and proxies for their encouraging participation at the 46th AGM.
- 12.4 At this juncture, the Chairman declared that the registration for attendance at the Meeting closed.

### 13.0 **POLL VOTING**

13.1 The Chairman reiterated that the polling at the AGM would be conducted via electronic voting.

13.2 The Chairman informed the Meeting that the overall estimated time for the polling exercise was approximately 15 to 20 minutes. The 46th AGM would be adjourned after the e-voting and would resume for declaration of the poll results. All attendees present were requested to return to their seats after casting their votes.

13.3 The Chairman invited Encik Cheah Beng Chong, a representative of the Poll Administrator, Tricor to brief the floor on the polling exercise.

Encik Cheah Beng Chong then briefed the procedures for the conduct of poll at the 46th AGM using Tricor e-Vote Application.

13.4 After all the votes had been casted, the representative of the Poll Administrator announced that the voting session for the 46th AGM had concluded and informed the Meeting that the results had been handed over to the Independent Scrutineers, Deloitte for validation.

13.5 The Chairman **declared** that the 46th AGM be adjourned at 12.40 p.m. to facilitate the completion of the verification for declaration of poll results in respect of Resolution 1 to Resolution 10.

### 14.0 **POLL RESULTS**

14.1 The Chairman called the Adjourned 46th AGM to order at 12.55 p.m. for the announcement of the poll results.

14.2 The Chairman invited Mr. Anthony Tai, Partner of Deloitte, the Independent Scrutineers for the polling exercise, to read out the poll results to the members, corporate representatives and proxies present at the Meeting.

14.3 **Ordinary Resolution 1 – Re-election of Datuk Dr. Mohd Daud Bakar**

Encik Anthony Tai announced the poll result in respect of Ordinary Resolution 1 which was carried as follows:

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 1	5,575,472,126	98.5848	80,035,573	1.4152

The Chairman **declared** that Ordinary Resolution 1 was duly passed as follows:

*“THAT Datuk Dr. Mohd Daud Bakar, who retired by rotation pursuant to Rule 111 of the Constitution of the Company, be re-elected as a Director of the Company.”*

14.4 Ordinary Resolution 2 – Re-election of Dato’ Seri Ahmad Johan Mohammad Raslan

Encik Anthony Tai announced the poll result in respect of Ordinary Resolution 2 which was carried as follows:

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 2	5,589,335,042	98.8299	66,173,778	1.1701

The Chairman **declared** that Ordinary Resolution 2 was duly passed as follows:

*“THAT Dato’ Seri Ahmad Johan Mohammad Raslan, who retired by rotation pursuant to Rule 111 of the Constitution of the Company, be re-elected as a Director of the Company.”*

14.5 Ordinary Resolution 3 – Re-election of Datin Norazah Mohamed Razali

Encik Anthony Tai announced the poll result in respect of Ordinary Resolution 3 which was carried as follows:

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 3	5,590,341,811	98.8477	65,166,778	1.1523

The Chairman **declared** that Ordinary Resolution 3 was duly passed as follows:

*“THAT Datin Norazah Mohamed Razali, who retired by rotation pursuant to Rule 111 of the Constitution of the Company, be re-elected as a Director of the Company.”*

14.6 Ordinary Resolution 4 – Re-election of Datuk Poh Pai Kong

Encik Anthony Tai announced the poll result in respect of Ordinary Resolution 4 which was carried as follows:

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 4	5,655,485,668	99.9997	17,268	0.0003

The Chairman **declared** that Ordinary Resolution 4 was duly passed as follows:

*“THAT Datuk Poh Pai Kong, who retired pursuant to Rule 92.3 of the Constitution of the Company, be re-elected as a Director of the Company.”*

- 14.7 Ordinary Resolution 5 - Payment of Directors' Fees to the Non-Executive Directors for the period from 3 May 2019 until the next AGM of the Company to be held in year 2020

Encik Anthony Tai announced the poll result in respect of Ordinary Resolution 5 which was carried as follows:

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 5	5,595,236,697	98.9344	60,266,239	1.0656

The Chairman **declared** that Ordinary Resolution 5 was duly passed as follows:

*“THAT the payment of Directors' Fees to the Non-Executive Directors for the period from 3 May 2019 until the next AGM of the Company to be held in year 2020, be approved.”*

- 14.8 Ordinary Resolution 6 - Payment of benefits to the Non-Executive Directors up to an amount of RM500,000 for the period from 3 May 2019 until the next AGM of the Company to be held in year 2020

Encik Anthony Tai announced the poll result in respect of Ordinary Resolution 6 which was carried as follows:

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 6	5,634,875,147	99.6353	20,625,789	0.3647

The Chairman **declared** that Ordinary Resolution 6 was duly passed as follows:

*“THAT the payment of benefits to the Non-Executive Directors up to an amount of RM500,000 for the period from 3 May 2019 until the next AGM of the Company to be held in 2020, be approved.”*

- 14.9 Ordinary Resolution 7 - Re-appointment of PricewaterhouseCoopers PLT for the financial year ending 31 December 2019 and to Authorise the Director to fix their Remuneration

Encik Anthony Tai announced the poll result in respect of Ordinary Resolution 7 which was carried as follows:

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 7	5,651,656,202	99.9320	3,846,734	0.0680

The Chairman **declared** that Ordinary Resolution 7 was duly passed as follows:

*"THAT PricewaterhouseCoopers PLT be re-appointed as Auditors of Sime Darby Property Berhad for the financial year ending 31 December 2019 at a remuneration to be determined by the Directors."*

- 14.10 Ordinary Resolution 8 - Retention of Tengku Datuk Seri Ahmad Shah Alhaj Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj as Independent Non-Executive Director

Encik Anthony Tai announced the poll result in respect of Ordinary Resolution 8 which was carried as follows:

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 8	5,588,930,604	98.8229	66,572,332	1.1771

The Chairman **declared** that Ordinary Resolution 8 was duly passed as follows:

*"THAT approval be and is hereby given to Tengku Datuk Seri Ahmad Shah Alhaj ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj, the Independent Non-Executive Director of the Company who will reach the nine (9) year term on 30 December 2019, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting."*

- 14.11 Ordinary Resolution 9 - Renewal of Authority for the Directors to Issue Shares of the Company pursuant to Section 75 and Section 76 of the Companies Act 2016

Encik Anthony Tai announced the poll result in respect of Ordinary Resolution 9 which was carried as follows:

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 9	1,749,697,218	96.6704	60,265,230	3.3296

The Chairman **declared** that Ordinary Resolution 9 was duly passed as follows:

*"THAT subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being and THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."*

14.12 Ordinary Resolution 10 - Proposed renewal of Shareholders' Mandate for existing Recurrent Related Party Transactions and proposed new Shareholders' Mandate for additional Recurrent Related Party Transactions of a revenue or trading nature

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Encik Anthony Tai announced the poll result in respect of Ordinary Resolution 10 which was carried as follows:

Resolution	Voted For		Voted Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 10	1,807,521,280	99.8660	2,425,173	0.1340

The Chairman **declared** that Ordinary Resolution 10 was duly passed as follows:

*“THAT subject always to the Companies Act 2016 (“Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, other applicable laws, guidelines, rules and regulations, and the approval of the relevant government and/or regulatory authorities (where applicable), approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties (“Recurrent Related Party Transactions”) as set out in Section 2.4 of the Circular to Shareholders dated 3 April 2019 (“the Circular”), subject further to the following:*

- (i) the Recurrent Related Party Transactions are entered into in the ordinary course of business which are necessary for the day-to-day operations and are on terms which are not more favourable to the related parties than those generally available to the public, and the Recurrent Related Party Transactions are undertaken on arm’s length basis and on normal commercial terms which are not to the detriment of the non-interested shareholders of the Company;*
- (ii) the shareholders’ mandate is subject to annual renewal and this shareholders’ mandate shall commence immediately upon passing of this ordinary resolution and continue to be in full force until:*
  - (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the AGM at which this shareholders’ mandate is approved, at which time it will lapse, unless by a resolution passed at the next AGM, such authority is renewed; or*
  - (b) the expiration of the period within which the next AGM after the date is required to be held pursuant to Sections 340(1) and (2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or*
  - (c) this shareholders’ mandate is revoked or varied by a resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier;*

*AND THAT the Directors of the Company and/or any one of them be and are/is hereby authorised to complete and do all such acts, deeds and things as they consider necessary or expedient in the best interest of the Company, including executing all such documents as may be required or necessary and with full powers to assent to any modifications, variations and/or amendments as the Directors of the Company in their discretion deem fit and expedient to give effect to the Recurrent Related Party Transactions contemplated and/or authorised by this Ordinary Resolution.”*

**15.0 CONCLUSION**

- 15.1 The Chairman informed the Meeting that the results of the poll voting would be announced to Bursa Securities in the evening.
- 15.2 The Chairman **thanked** the shareholders, Board members, Board Secretary and guests for their attendance. She further thanked the working committee for the well organised AGM.
- 15.3 The Chairman then recorded a vote of appreciation to Dato’ Sri Amrin Awaluddin for his contribution during his tenure as the Group Managing Director of the Company and wished him all the best in his future undertakings.
- 15.4 There being no other business to be transacted, the Meeting ended at 1.00 p.m. with a vote of thanks to the Chairman.