

SIME DARBY PROPERTY BERHAD

APPENDIX TO MINUTES OF 47TH ANNUAL GENERAL MEETING HELD ON 26 JUNE 2020

No.	Question	Response
1.	How much losses were incurred due to the Movement Control Order (“MCO”)?	<p>The pandemic has unavoidably caused impacts to the Company’s operations. Some of the impacts, amongst others, included registration of new sales were affected during the MCO period as all our sales galleries were closed per the Government’s regulations; no development activities were carried out during the MCO period as on-site construction activities were suspended and we deferred some of the new launches to upon further market evaluations considering the weak market sentiment and uncertainty.</p> <p>The impacts brought to the Company’s performance will be shared via our Quarterly Reporting for the second quarter of financial year 2020.</p>
2.	It is hard to sell condominiums now, why doesn’t the Company build linked houses which have good sales at areas around Ampang to Ulu Langat where there are plenty of lands for development?	<p>Sime Darby Property is an established township developer with track records for decades. Residential landed properties in strategic locations remain as the key product of our property development business.</p>
3.	Please explain under which law that allows Board of Directors to impose additional 2 days registration on online portal of Tricor before meeting starts? Shouldn’t the submission of duly completed proxy form be suffice? Such rule was never approved by shareholders and Tricor also failed to give any explanation on who gives them such authorization?	<p>Kindly be advised that the submission of Form of Proxy was for the purpose of registering the voting instructions authorised by members to their respective proxy(ies). For a Form of Proxy to be valid, it must be deposited not less than 48 hours before the time for holding the Annual General Meeting (“AGM”) as stipulated in the Form of Proxy / Notice of AGM dated 28 April 2020.</p> <p>The lodging of the Form of Proxy does not preclude a member from attending and voting in person at the AGM should the member subsequently decide to do so. Hence, notwithstanding the lodgment of Form of Proxy, the appointed proxy is required to register his / her attendance for the AGM.</p> <p>In view that the Company’s AGM was held on a fully virtual basis through Remote Participation and Voting (“RPV”) facilities, members / proxies are required to follow the steps provided in the Administrative Details, enclosed in the Annual Report 2019 issued on 28 April 2020, to register for and attend the AGM via the RPV facilities.</p>

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		<p>The cut-off date of registration was fixed on 24 June 2020 at 10.00 a.m. to enhance the efficiency of the proceedings of the AGM. However, if a member / proxy wish to register after the stipulated cut-off date, he / she may contact Tricor for assistance.</p> <p>This is a standard practice by majority of listed companies.</p>
4.	What is the cost of conducting RPV AGM? Any cost saving compare to traditional physical AGM?	Yes, the Company managed to save some costs mainly from the distribution of doorgifts, hall rentals and refreshments for shareholders by holding the AGM virtually.
5.	Is the strata property quit rent issue impacting the sale of strata property? In Selangor, some strata owners cannot sell their properties.	The Company does not see the quit rent issue giving impacts to the sales of high-rise properties of the Company.
6.	Has quit rent issue been resolved? i.e Strata owner get individual quit rent bill instead of paying collectively by JMC.	Individual quit rent for strata parcel will be issued after issuance of strata titles. Prior to individual quit rent charging, it will be charged to master title. Any process that require quit rent should be referred to Joint Management Body for master quit rent.
7.	Who authorises Tricor to create a very troublesome registration and participation for AGM / EGM? Why after Tricor received the completed nomination form from our broker, Tricor still insisted shareholder to register to their system and required to register online more than 2 days before the meeting? Whereas during physical meeting, Tricor can register us for meeting before voting start? not to mention with around 10 clicks or more to vote and we have to click for description of each resolution? Why Boardroom's system is easier?	Thank you for your feedback. We will assess this matter further and explore other feasible options to ensure a seamless online voting process and remote participation by shareholders for our future general meetings

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8.	<p>Unit in Elmina EV3 was sold as "guarded and gated" property. Why until now, there is no progress or anything done to build up the guard house? Not even the fencing is erected. The recently launched property like Ferrea has already erected the fencing.</p>	<p>EV3 was not sold as 'gated and guarded community' which implies that it is a stratified development. EV3 is a freehold individual title development in which the residents can setup a 'guarded community' scheme in accordance to the guidelines as required by the local authority. In order to setup the guarded community scheme, the EV3 Resident Association must apply to the relevant authority for all the necessary approvals in order to build the guardhouse. This is stated clearly in the Security Agreement when the residents bought the unit in EV3. Once all necessary approvals are obtained, Sime Darby Property will build the guardhouse on behalf of the residents.</p> <p>Same for the erection of the perimeter fencing, the Resident Association must give Sime Darby Property an undertaking letter to ensure that the perimeter fencing can be erected and the Resident Association will take full responsibility of the perimeter fencing.</p>
9.	<p>First and foremost, congratulations to the Board and Management of Sime Darby Property Berhad for the smooth handling of this fully virtual AGM. Questions :</p> <p>i. Does the Board feel that this virtual meeting facilitates a true dialogue between the Board and Shareholders?</p> <p>ii. Is the Board considering continuing with the virtual format post the global Covid-19 pandemic?</p>	<p>i. Yes. The facilities used by the Company was designed to be as close to a physical AGM as possible to ensure the shareholders are able to exercise their rights to attend, participate, speak and vote at the AGM.</p> <p>ii. The Company will assess further and consider enabling the remote participation and online voting facility for future general meetings. We will also take into consideration, the feedback from shareholders and the market on the effectiveness of technology used. We will explore other feasible options to ensure a seamless online voting process and remote participation by shareholders.</p>
10.	<p>Is next quarter still profitable?</p>	<p>The Company is not able to give financial guidance. We will announce the financial results for quarter ending 30 June 2020 in August 2020.</p>
11.	<p>What is the total value of unsold stock and the breakdown by type of property?</p>	<p>Total carrying value of unsold completed stocks was RM532.8 million as at 31 December 2019, out of which 41.3% were landed residential properties and 58.7% were high rise properties.</p>

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12.	Is your company buying office paper from Indonesia pulp and paper manufacturers with a long history of deforestation as reported by WWF and Greenpeace?	<p>Sime Darby Property sources many materials and services for our company operations from a diverse and often lengthy supply chain. The process of procuring services and materials is based not only on competitive pricing and local economic injection but also (depending on the nature of the product or material) reasonable due diligence of environmental and social practices of vendors and certification (where relevant) of direct suppliers is done during their registration process with the company to reduce the risk that any materials or services used by the company have poor environmental performance.</p> <p>In regard to stationary sourcing (including photocopy paper), these materials are sourced via quotation process from registered vendors, where we focus on specifications and competitive pricing as first considerations (not brand).</p> <p>In regard to Sime Darby Property sourcing of photocopy paper – as we do not specify brand to be supplied by the supplier, we noted that the brand of photocopy paper that was provided by our stationary vendor was the sourced of the paper is via local Malaysian distributor who in turn we are informed source their paper from PT Indah Kiat, an Indonesian based company (the company). Based on publicly available information, this Indonesian the company currently do not have an adverse report in relation to its environmental practices, where it is noted that the company have managed to obtain the Carbon Disclosure Project (“CDP”) Forest Score A and CDP Climate Change Score of B (under APP-parent company). The company previous adverse sustainability report relates to deforestation activities that occurred in 2012 (reports were issued by WWF and Greenpeace) dated 2012. With its current certified rating, it would be reasonable to surmise that such a company have made improvements towards its environmental practices since then.</p>
13.	Any worries on revenue outlook considering low unbilled sales?	<p>This pandemic has certainly brought huge impacts to both local and global markets. The unbilled sales of RM1.47 billion as at 31 March 2020 provides revenue visibility to the Company for the coming two to three years. As a committed property developer, we will continue to launch new products and clear unsold inventories to maintain a sustainable revenue generation for the Company.</p>

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14.	Can you please provide an update on the Battersea project in UK? Do you expect it to be profitable overall?	This pandemic has certainly brought huge impacts to both local and global markets. Whilst the UK property market is very challenging, we are seeing continued interest and demand for apartments at Battersea such that the current position for Phases 2 and 3a on a combined basis reflects a take-up rate of approximately 68%. As per UK accounting standards, recognition of profit is upon completion of the sold units and not progressively as per Malaysia's accounting standard. Given this, the revenue and profit recognition of the project is dependent on timing of the project completion. These 2 phases are initially scheduled to be completed in 2021 and 2022 respectively. The team is currently assessing the impacts brought by the pandemic to the Project and will update as soon as the impacts are fully known.