



Property

SIME DARBY PROPERTY BERHAD

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

MINUTES OF THE FORTY-SEVENTH ANNUAL GENERAL MEETING (“47th AGM”) OF SIME DARBY PROPERTY BERHAD (“SIME DARBY PROPERTY” OR “THE COMPANY”) HELD AT THE BROADCAST VENUE AT BANYAN ROOM, GROUND FLOOR, SIME DARBY CONVENTION CENTRE, 1A, JALAN BUKIT KIARA 1, 60000 KUALA LUMPUR, MALAYSIA ON FRIDAY, 26 JUNE 2020 AT 10.00 A.M.

- BOARD OF DIRECTORS** : YBhg Tan Sri Dr. Zeti Akhtar Aziz (*Chairman*)
YBhg Dato’ Azmir Merican
YBhg Dato’ Jaganath 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 Datin Nor Azah Razali
Encik Rizal Rickman Ramli
- Participating via Video Conferencing*
YBhg Dato’ Seri Ahmad Johan Mohammad Raslan
- Absent with Apology*
YBhg Datuk Poh Pai Kong
- GROUP SECRETARY** : Puan Moriami Mohd
- EXTERNAL AUDITORS** : Encik Sridharan Nair
(*Managing Partner, PricewaterhouseCoopers PLT*)
Puan Nurul A’in Abdul Latif
(*Partner, PricewaterhouseCoopers PLT*)
- SENIOR MANAGEMENT** : As per Attendance Lists
- Absent with Apology*
YBhg Dato’ Wan Hashimi Albakri W.A.A Jaffri
- SHAREHOLDERS / CORPORATE REPRESENTATIVES / PROXIES** : *Participating via Remote Participation and Voting (“RPV”) facilities at TIIH Online website*
As per Summary of Attendance List

As at 15 June 2020, being the cut-off date for determining who shall be entitled to attend the Company’s 47th AGM, the Company had 27,172 depositors and the total number of issued shares stood at 6,800,839,377 ordinary shares. Based on the registration data given by the Company’s Share Registrar as at 10.00 a.m. on 24 June 2020, 451 shareholders had registered through the RPV facilities for attendance at the 47th AGM. They represented 5,007,083,882 ordinary shares, which constituted 73.62% of the total issued shares of the Company.

1.0 CHAIRMAN'S OPENING REMARKS

- 1.1 The Chairman, on behalf of the Board and Management, welcomed the shareholders to the 47th AGM of Sime Darby Property and thanked them for their participation and continuous support to the Company.
- 1.2 The Chairman informed the shareholders that the Group Secretary had confirmed the presence of a requisite quorum pursuant to the Company's Constitution. The Notice of Meeting dated 28 April 2020 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 :
- 1) As the shareholders' safety was the Company's priority, the Board had decided to embrace the 'new normal' and proceeded with the 47th AGM on a fully virtual basis in view of the Coronavirus Disease 2019 ("COVID-19") pandemic.
 - 2) The holding of the virtual AGM was in line with the provisions of the Companies Act 2016, the Company's Constitution and the Securities Commission Malaysia's Guidance and Frequently Asked Questions (FAQs) on the Conduct of General Meetings for Listed Issuers issued on 18 April 2020 and subsequently revised on 14 May 2020, 11 June 2020, 18 June 2020 and 24 June 2020.
 - 3) During the financial year ended 31 December 2019, despite the highly challenging operating environment, the Company had demonstrated resilience in achieving improved financial performance and deployed effective strategies, with a focus on driving core earnings, increasing revenue potential through asset optimisation and monetisation, and effective working capital management.
 - 4) The global outbreak of COVID-19 had brought a whole new set of challenges for the current financial year, not only to the Malaysian economy and the global financial market but also to Sime Darby Property. It was an unprecedented event and had affected many businesses. It was no longer business as usual and the seriousness of the domino effect towards the value chain must be recognised.
 - 5) Despite the emergence of new challenges, Sime Darby Property remained committed and steadfast to maintain its business profitability with a focus on the creation of long-term shareholders' value and adapting to new challenges at the onset of a 'new normal'.
 - 6) Relevant measures and new strategies had been put in place to mitigate the impact and consequences of COVID-19 pandemic on the business.
- 1.4 The Chairman then proceeded to introduce the Board Members present at the Broadcast Venue and participating via video conferencing. The Chairman also introduced the Group Secretary, Senior Management Team and representatives of PricewaterhouseCoopers PLT, Auditors of the Company who were also present at the Broadcast Venue.

- 1.5 The Chairman conveyed the apologies of Datuk Poh Pai Kong, a Board member and Dato' Wan Hashimi Albakri W.A.A Jaffri, Chief Operating Officer - Township for not been able to attend the 47th AGM as they were on medical leave. The Chairman, on behalf of the Board, wished Datuk Poh Pai Kong and Dato' Wan Hashimi Albakri W.A.A Jaffri a speedy recovery.
- 1.6 The Chairman informed the shareholders that the information on the Company, its activities, results and financial position as at 31 December 2019 were set out in the Annual Report 2019 issued electronically on 28 April 2020.
- 1.7 The Chairman briefed the shareholders :
- 1) In accordance with Paragraph 8.29A of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), all proposed resolutions set out in the Notice of the 47th AGM would be voted by way of a poll.
 - 2) There were eight (8) Ordinary Resolutions to be voted at the 47th AGM, as set out in the Notice of the 47th AGM, each would require a simple majority vote in order for it to be passed.
 - 3) Two (2) of the Company's employees, who were also shareholders of the Company had offered themselves to be the Proposer and Secunder for the proposed resolutions on the Agenda. Therefore, all resolutions tabled at the 47th AGM had been duly proposed and seconded.
 - 4) The Company had appointed Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") as Poll Administrator to conduct the poll by way of electronic voting ("e-voting") using the RPV facilities and Deloitte Risk Advisory Sdn Bhd ("Deloitte") as Independent Scrutineers to validate the poll results.
- 1.8 The Chairman informed the shareholders that they may submit their votes at any time from the commencement of the 47th AGM at 10.00 a.m. until the end of the voting session. Puan Suzana Abdul Rahim of Tricor, the Poll Administrator was then invited to brief the shareholders on the e-voting procedures.
- 1.9 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 and welcomed all shareholders for their presence. The GMD gave a brief presentation which covered the following as per **Appendix 1** :
- 1) Financial Year 2019 Highlights.
 - 2) Moving Forward Strategy.

- 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 1 June 2020 which sought clarification on some issues in relation to the Annual Report 2019. 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 18 June 2020, enclosed as **Appendix 2**, had been uploaded to the Company's website.
- 2.3 The GMD presented the questions raised by the MSWG and the Company's responses, as follows :

Strategic / Financial Matters

- 1) The COVID-19 pandemic has caused major disruption to all businesses. In the light of this –
- i) What would be the expected impact of COVID-19 pandemic to the Group's property development, property investment and leisure and hospitality segments?

Response :

The COVID-19 pandemic has adversely impacted various markets and industries on a global scale. Domestically, under the Movement Control Order ("MCO"), which all businesses were required to temporarily closed except for those involved in the provision of essential services. Although the Group is able to restart its businesses with the easing of the preventive measures in phases under Conditional Movement Control Order ("CMCO") and subsequently Recovery Movement Control Order ("RMCO"), the pandemic has nevertheless adversely impacted the Group's operations. Impacts to each business segments include :

a) Property Development

- aa) *Registration of new sales were affected during MCO period as all our sales galleries were closed per the Government's regulations. However, we have had some uplift in sales from our online marketing campaign.*
- bb) *No development activities were carried out during the MCO period as on-site construction activities were halted.*
- cc) *Challenges in obtaining relevant development approvals from authorities on time as there were huge backlog approvals at the government offices.*
- dd) *Provision for liquidated and ascertained damages on the possible delay in delivery of projects. Sime Darby Property had requested from Kementerian Perumahan dan Kerajaan Tempatan ("KPKT") extension of time ("EOT") for on-going projects.*

- ee) *Although the development activities halted temporarily during MCO, expenditure such as borrowing and overheads costs continue to be incurred during that period. These unbudgeted expenditures will impact our profit and loss.*
- ff) *Provision of sales packages to meet market expectation and incentives under Home Ownership Campaign 2020 to boost sales.*
- gg) *Due to weak market sentiment and uncertainty, the Group has deferred some of the new launches to upon further market evaluations.*
- hh) *In line with the Government's incremental lifting of the MCO, as at 7 June 2020, the Group has managed to open approximately 60% of the construction sites whereby the construction works have resumed.*

b) Property Investment

- aa) *Operation of Melawati Mall was halted during the MCO period. It has a huge impact on both revenue and its profitability. Provision of rental discounts to the tenants was inevitable during the MCO period as well as post MCO period.*
- bb) *Potential delay in the opening of KL East Mall towards end of 2020 as the prospective tenants are largely affected by the MCO including progress of their fit-out work.*
- cc) *Rentals rebates were also given to other tenants of the property investments assets.*

c) Leisure and Hospitality

- aa) *Lower contribution due to the cancellation of events and functions following the pandemic and enforcement of MCO. All segment businesses were closed during the MCO period.*

The Group foresees that the coming months in the current financial year will be adversely affected by the spillover effects of the pandemic on consumers' purchasing power thereby resulting in a moderation of property sales.

- ii) Please explain how the Company has prepared itself to deal with the challenging times?

Response :

The Group has put in place a comprehensive plan to deal with the changes in market and working conditions due to COVID-19 pandemic. These include the following :

- a) *Resolving immediate challenges that COVID-19 presents to our employees, customers and business partners;*

- b) *Addressing financial impact for FY2020, including scenario planning and near-term cash flow management; and*
- c) *Re-aligning the Group's strategy by reprioritising and redefining our corporate priorities.*

Resolving immediate challenges that COVID-19 presents to our employees, customers and business partners

With regards to the Group's employees, on the office front, extra efforts have been made to ensure the prevention of the spread of COVID-19. The Group implemented the Resumption of Work Guideline that lists actions taken to ensure the workplace is safe for all employees. The premises are sanitised daily with focus on every entry points, lifts and common points of contact. Hand sanitisers and masks are provided for employees.

All employees and visitors are also required to register via online form / manual registration for ease of future contact tracing and also undergo temperature checks upon entry. Those that with symptoms shown are strictly not allowed to enter the office building. To minimise face to face interactions and facilitate social distancing norms, the workforce has been divided into groups with each taking turns to return to the workplace while others continue to work from home.

To ensure flexibility in virtual working arrangements, the Group's IT capabilities have been fortified to ensure that the employees are able to conduct virtual meetings and complete work with minimal physical interactions.

With regards to Customers, the Group has redirected some of its sales and marketing efforts online. The Sales and Marketing team conducts live sessions on Facebook every weekend to share our township projects, with special guest speakers and industry experts.

In addition, the Group has converted the sales process from sales pitches to bookings, to be fully digitalised. Therefore, our customers do not need to be physically present at any of our sales galleries to secure a unit. The Group implemented this effort during the recent EG3A preview in Elmina and secured a significant number of bookings.

All recommended safety guidelines have been implemented and stringently followed at our sales galleries. In addition to the guidelines, all staff members at our sales galleries have been tested for COVID-19 to ensure safety of our customers. So far, our staff members have all tested negative for coronavirus.

The Group has also reached out to communities via the #KitaCare initiative, a collaborative effort by our employees to raise funds for the less-fortunate and front-liners during this trying time.

With regards to the Group's business operations and business partners, Sime Darby Property's Environment, Safety and Health (ESH) department has deployed various safety precautions to ensure the sustainability of the business. The Group has enforced the "Pandemic Management Prevention of COVID-19 Infection for Construction Activities" guideline for contractors, supervisors and employees to adhere at construction sites. The guideline aims to prevent potential infection of COVID-19 at Sime Darby Property project sites inclusive of handing over and Defect Liability Period (DLP).

Addressing financial impact in FY2020, with a focus on scenario planning and near term cash flow management

The Group conducted an assessment on the impact of the pandemic and has identified measures to minimise the effects. A financial impact assessment coupled with a comprehensive scenario planning analysis, involving senior management and operations have been conducted for this purpose. All aspects of the business from Property Development, to Property Investment, and Leisure were covered, with the impact to the business quantified.

Post impact quantification, the Group embarked on the next phase of the scenario planning effort to minimise the impact, with particular focus on cost and cash flow management. This will be a continuous effort for this financial year.

Reprioritising and Redefining our Corporate Priorities

Based on the financial impact assessments and 'New Normal' conditions, the Group is re-defining its priorities and deriving a sustainable working model capable of adapting to the challenging market.

Key initiatives are already in place to tackle the challenges and position the Group to be more competitive, including active marketing and sales campaigns, planning of new launches, inventory management, working capital and cash flow management as well as cost rationalisation.

The recent re-introduction of Home Ownership Campaign by the Government effective from 1 June 2020 to 31 May 2021 is expected to cushion the impacts brought by the pandemic and to boost the consumer sentiment amid the challenging market environment. The Group welcomes this Campaign that will provide a much-needed boost for residential property sales in the second half of FY2020.

The Group's focus this year will be to strengthen our resilience against the global and domestic macroeconomic headwinds and market uncertainties brought by the unprecedented pandemic.

In the longer term, the Group will adopt strategies that will ensure the sustainability of our core business in Property Development, as well as to continue strengthening other business segments. Segments that display strong potential such as Industrial and Logistics will certainly be one of the focuses.

2) One of the main priorities in FY2020 is to embark on catalytic partnerships with healthcare providers, aged-care facilities and pharmaceutical clusters across the Group's townships. (page 39 of the Annual Report).

i) Where are the locations of the healthcare services, aged-care facilities and pharmaceutical clusters?

Response :

We have identified the following healthcare assets as key catalysts for our townships whereby we aim to have these implemented across our townships in Klang Valley - namely City of Elmina, Bandar Bukit Raja and Nilai Impian over the next 5 years.

ii) What are the business models of the healthcare, aged-care and pharmaceutical services that the Group is embarking on?

Response :

The Group will explore three business models :

a) *Land Sale model – whereby the land is monetised to a third-party who will develop the land to build hospital, assisted living etc.;*

b) *Build to Lease model – whereby the Group will build the healthcare facilities according to the requirement / specification of the operator, who will then lease the completed facilities from us; and*

c) *JV model – where the Group collaborates with a third-party operator to either build or own the healthcare assets with operations managed by the third party.*

iii) When will the first healthcare, aged-cared facility and pharmaceutical cluster commence businesses and what will be the capital expenditure for each service?

Response :

In February 2020, the Group accepted an offer from a prospective buyer to sell 5 acres of its commercial land in City of Elmina. Subject to the relevant approvals and the completion of the land sale, the prospective buyer intends to build a university hospital and a hospital-related building on the land.

Besides that, the planned Residents' Clubhouse at City of Elmina intends to provide value added aged-care services to the residents of City of Elmina.

This will be the Group's maiden project in the provision of aged-care services within our township and it is expected to complete in year 2023. Details are tentative for other future projects as they are at the initial stages of planning, assessment and negotiation.

- 3) The Group has impaired a long outstanding amount due from a joint venture of the Group amounting to RM14.9 million (page 54 of the Annual Report).

- i) What is the reason for the impairment of the RM14.9 million?

Response :

The Group performed an impairment assessment on the amount due from a joint venture in the current financial year ("FY2019"), in accordance with MFRS 136 "Impairment of Assets". This is in view of the continued losses incurred by the joint venture (i.e. an impairment indicator).

In determining the recoverable amount as required by MFRS 136, the Group had also considered the market value of the joint venture's assets, in addition to the cash flows expected to be generated by the joint venture. Given that the joint venture is unlikely to be able to realise its assets above their carrying value within the foreseeable future, an impairment of RM14.9 million, being the difference between the amount outstanding and the recoverable amount, was recognised in FY2019.

- ii) How long has the debt been outstanding and what is the potential of recovery from the joint venture partner?

Response :

Pursuant to the joint venture agreement, it was the intention of the joint venture partner and the Group to provide the required financing to the joint venture in proportionate to their respective shareholding in the joint venture.

The outstanding balance as at 31 December 2019 of RM93.5 million includes shareholders' loans which were granted to the joint venture since 2016 to finance its property development projects.

To improve the financial performance, the joint venture company is undertaking aggressive and targeted sales and marketing initiatives to clear the unsold stocks within these 2 years. This include among others, rent-to-own scheme, enhancing digital platform usage and focusing on the young business owners and entrepreneurs. The initiatives will also be enhanced with the completion of place making attraction centre such as sports arena to create vibrancy and public attraction to the area.

- 4) The Group has made a provision of RM65.8 million in relation to an undertaking arrangement entered on the disposal of a property with a purchaser in prior years (page 54 of the Annual Report).

- i) What was the reason for the provision of RM65.8 million?

Response :

In financial year ended 30 June 2017 ("FY2017"), the Group had disposed a leasehold property located in Singapore ("Disposal") to a joint venture of the Group (UOwner"). The Housing and Development Board in Singapore had designated the said leasehold property as an owner-occupation building, which requires most of the gross floor area (uGFA") to be occupied by the Owner, with the consent of the JTC Corporation, to lease to the Owner's related companies.

As part and parcel of the Disposal transaction, the Group provided an undertaking to secure tenancies from entities within the Group.

The provision of RM65,8 million recognised was in respect of the shortfall in the rental guarantee undertaking provided.

- ii) How is the property, that was not disposed, currently being used?

Response :

The property had been disposed and lease back by the Group. The lease-back area of the property is being used as a motor workshop, storage, ancillary offices and showroom.

- iii) What is the Company's plan for the unsold property?

Response :

The Group completed the disposal of this asset in FY2017.

- iv) Who is the defaulting purchaser?

Response :

Not applicable as there is no defaulting purchaser.

- 5) Sime Darby Brunfield Holding Sdn Bhd ("SDBH") recorded higher revenue of RM85.0 million but a higher loss of RM58.34 million in FY2019 as compared to a revenue of RM51.2 million and profit of RM21.6 million in FY2018 (page 310 of the Annual Report).

- i) What are the reasons for the higher revenue and the resulting loss in FY2019?

Response :

The higher revenue recorded was mainly attributable to the full 12 months contribution as compared to 6 months in the comparative period, as well as the higher take up rates coupled with the more advanced stage of completion in respect of the Senada project.

The resulting loss in FY2019 was mainly attributed to the impairment of inventories and receivables amounting to RM43.2 million, coupled with the higher finance cost and lower share of profit from the joint venture.

- ii) What are the measures taken to mitigate SDBH's loss in the future?

Response :

SDBH Group is adopting aggressive marketing and sale plans for the on-going projects and completed inventories, including repricing the products by giving additional sales incentives / discount to improve the overall results of SDBH Group.

SDBH Group will also take proactive steps to ensure all future projects will be planned and developed with cost efficiency design and aligned to market demands to increase its product competitiveness in the market.

iii) What is the financial outlook of SDBH in FY2020?

Response :

- a) *Prospect of SDBH group is impacted by the uncertain market environment brought by the COVID-19 pandemic.*
- b) *Apart from adopting aggressive marketing plans to improve the results, the COVID-19 pandemic is expected to impact the results of SDBH Group adversely in FY2020. However, the management of SDBH Group is proactively monitoring the situation and will take appropriate and timely measures to minimise the effects to SDBH Group's results.*

2.4 The Chairman, on behalf of the Board, expressed appreciation to the MSWG for raising the aforesaid questions which were considered important, and to the GMD for sharing the Company's responses to the said questions, with the shareholders.

3.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

3.1 The Chairman informed the Meeting that the first item on the Agenda was to receive the Audited Financial Statements for the financial year ended 31 December 2019 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 47th AGM, the AFS would not be put forward for voting. This was in line with the provisions of Section 340 (1) (a) of the Companies Act 2016 which only require the AFS to be laid before the shareholders. The AFS was provided in the Annual Report from pages 226 to 348 and followed by the Independent Auditors' Report on pages 232 to 239.

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

3.4 The GMD informed the Meeting that the Company had received three (3) questions in advance, out of which two (2) were the same. He then read the questions and responded to them on behalf of the Board and Management, as follows :

1) Question from Mr. Leong Ngoo @ Leong Yue Thin (Shareholder)

At the last AGM, I informed the Company that for the projects jointly developed by Sime Darby Property and Brunfield namely Oasis Square and Oasis Corporate Park, purchasers were promised free right of use for one (1) car parking bay for each unit. The free right of use was subsequently withdrawn, and a protest was held by purchasers in front of Sime Darby Property Tower. Tan Sri Chairman assured that the Company would look into this matter. There was one (1) meeting with the then Acting Group Chief Executive Officer but no further action. Please explain.

Response :

Subsequent to the meeting with the Acting Group Chief Executive Officer on 9 May 2019, the developers clarified in the meetings with the Joint Management Body of Oasis Corporate Park and Oasis Square on 20 June 2019 and 21 June 2019 that under the Sale and Purchase Agreements (“SPA”) entered into with the purchasers, the purchasers had the right to use the car parks subject to the terms and conditions which may be imposed by the developers, which include the right to charge a parking fee at a rate to be determined by the developers.

2) Question from Ms. Tee Beng Hee (Shareholder)

Since the Company’s AGM is conducted on a fully virtual basis and thus the Company have saved a lot of costs, will the Company be giving shareholders who have to incur time and cost to attend this live streaming meeting and remote voting some e-vouchers?

Response :

The Company would be focusing on rewarding the shareholders through dividends.

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

1) Question from Mr. Lim San Kim (Shareholder)

In view of the pandemic and since the Company has been badly affected by the MCO, in which earnings are expected to be depressed, is the Board going to lay off staff and / or cut salaries?

Response :

The GMD responded that in view of the COVID-19 pandemic, the Company’s main priority was to reduce costs. One (1) of the Company’s priorities was to preserve jobs and livelihood of all its employees. The Company had taken this opportunity to review its efficiency and to take stock on areas where it could minimise wastages. Management had been reviewing all options available to minimise cost and any recommendations by Management would be discussed with the Board.

2) Question from Mr. Tan Yet Siong (Shareholder)

i) To what extent the MCO imposed and implemented by the Government impact the Company’s performance?

Response :

a) *The GMD responded, as follows :*

aa) *On top of the ongoing property overhang, we had seen reduced average sales and expected a further drop as people move away from luxury / big-ticket items such as properties to conserve cash in anticipation of tougher times.*

- bb) *As most property developers, the Company's business hinges on steady cashflow from consistent property sales to fund operations and fixed costs. Hence, the current situation presented unprecedented challenges as the Company navigated its cash flow management to focus on efficiency and necessity when making portfolio and capital expenditure decisions.*
 - cc) *Registration of new sales was affected during the MCO period as all the sales galleries were closed per the Government's regulations. However, there was some uplift in sales from the Company's online marketing campaign.*
 - dd) *No development activities were carried out during the MCO period as on-site construction activities were halted.*
 - ee) *Although development activities were halted temporarily during MCO, expenditure such as borrowing costs continued to be incurred during that period. These unbudgeted expenditures would impact the Company's profit and loss.*
 - ff) *In line with the Government's incremental lifting of the MCO, as at 7 June 2020, the Group had managed to open approximately 80% of the construction sites and resumed construction works.*
- b) *The Chairman added that barring any second wave of the COVID-19 pandemic, the Company had potentials to improve its performance in the second half of the year 2020 given both the Company and the country's positive fundamentals. It was important for the Company to manage well during this difficult period and to capitalise on recovery as it takes place.*
- ii) How much are the unbilled sales of the Company currently? How long will the Company translate the unbilled sales to revenue?

Response :

The GMD replied that as at 31 March 2020, the Company's unbilled sales recorded at RM1.47 billion, slightly decreased by 5.5% from RM1.55 billion as at 31 December 2019. The Group expected that approximately 70% of unbilled sales would be recognised in FY2020. It would take approximately 1-3 years to translate unbilled sales to revenue.

3) Question from Encik Rosharizal bin Lembut @ Ahmad (Shareholder)

As at the reporting date, how many units of completed properties sold and unsold?

Response :

The GMD informed the shareholders that in FY2019, the Group had sold 394 units of completed stock and there were 536 unsold units of completed stock as at 31 December 2019. As at 31 March 2020, there were 525 unsold units of completed stock.

4) Question from Encik Lim Pin Yeong (Shareholder)

- i) What is the total overhang units of landed property and strata high-rise property?

Response :

The GMD responded that as at 31 December 2019, there were 536 unsold units of completed stock comprising 206 units of landed property and 330 units of high-rise.

- ii) With the current COVID-19 pandemic and weak property market, what is the outlook of Sime Darby Property going forward?

Response :

The GMD informed the shareholders, as follows :

- a) *The Company had put in place a comprehensive plan to manage the changes in the market and working conditions due to the COVID-19 pandemic. These include :*
- aa) *Resolving immediate challenges that COVID-19 presents to the Group's employees, customers and business partners.*
 - bb) *Addressing financial impacts, including near term cash management, cash flow impact and financial results for the year.*
 - cc) *Adapting the Company's strategy by reprioritising and redefining strategic priorities.*
 - dd) *Repricing and review of pipeline launches.*
 - ee) *Targeted sales and marketing initiatives to clear unsold inventories.*
- a) *However, the property market was expected to be sluggish in year 2020 due to prevailing overhang situation, and the impact of the COVID-19 pandemic. The Company was implementing measures to minimise the impact.*
- b) *The recent reintroduction of Home Ownership Campaign ("HOC") by the Government effective from 1 June 2020 to 31 May 2021 was expected to cushion the impacts brought by the pandemic and to boost consumer sentiment amid the challenging environment.*
- c) *The Company believed that it had strong products with brand recognition which both purchasers and investors recognise.*
- d) *The Group was also expanding into the growing industrial and logistics development segment which should drive the Group's outlook on recovery from COVID-19 pandemic.*

5) Question from Encik Rien Hashim (Shareholder)

How many days Sime Darby Convention Centre was closed down due to MCO? How much estimated revenue and profits were forgone?

Response :

The GMD responded that Sime Darby Convention Centre was closed down from 18 March 2020 to 12 May 2020 due to MCO. The Group would have a better view of the estimated financial impact of the closure by the second quarter results of FY2020.

**4.0 ORDINARY RESOLUTIONS 1 AND 2
- RE-ELECTION OF DIRECTORS PURSUANT TO 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 by rotation in accordance with Rule 111 of the Company's Constitution and who were eligible had offered themselves for re-election :
- 1) Dato' Jaganath Sabapathy (under Ordinary Resolution 1); and
 - 2) Encik Rizal Rickman Ramli (under Ordinary Resolution 2).
- 4.2 The Chairman further informed the Meeting that the profiles of the proposed Directors standing for re-election had been provided to the shareholders in the Annual Report 2019 on pages 96 and 102 respectively.
- 4.3 The Chairman apprised the Meeting that in line with the best practice of corporate governance, the Board through its Nomination and Remuneration Committee ("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 highlighted to the Meeting that as stated in the Notice of the 47th AGM, Dato' Johan Ariffin who were also retiring pursuant to Rule 111 of the Company's Constitution, had expressed his intention not to seek re-election. Hence, he would retire upon the conclusion of the 47th AGM.
- 4.5 The Chairman informed the Meeting that in view that Ordinary Resolutions 1 and 2 as well as Ordinary Resolution 3 on the next Agenda were in relation to the re-election of Directors, the Board would respond to questions on the said matter in the next Agenda.
- 4.6 The Chairman then invited the shareholders to cast their votes on Ordinary Resolutions 1 and 2 via the e-voting platform on Tricor's TIIH Online website at <https://tiih.online>.

5.0 ORDINARY RESOLUTION 3
- RE-ELECTION OF DIRECTOR PURSUANT TO RULE 92.3 OF THE COMPANY'S CONSTITUTION

5.1 The Chairman informed the Meeting that Agenda Item No. 3 was in relation to the re-election of Dato' Azmir Merican as a Director of the Company who retired in accordance with Rule 92.3 of the Company's Constitution.

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

5.3 Since there were no questions raised by the shareholders, the Chairman invited the shareholders to cast their votes on Ordinary Resolution 3 via the e-voting platform on Tricor's TIIH Online website at <https://tiih.online>.

6.0 ORDINARY RESOLUTION 4
- PAYMENT OF DIRECTORS' FEES TO THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD FROM 27 JUNE 2020 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN YEAR 2021

6.1 The Chairman informed the Meeting that Resolution 4 was in relation to the payment of Directors' Fees to the Non-Executive Directors ("NED") for the period from 27 June 2020 until the next AGM of the Company to be held in year 2021.

6.2 The Chairman briefed the Meeting :

- 1) During the financial year under review, the NRC had appointed an external international consultant to conduct a fresh review of the NEDs' Remuneration Framework based on the results of a market survey carried out on the remuneration and benefits received by the NEDs. The survey also considered other major factors including the revenue / size of the Group against its peers as well as the fiduciary duties and time commitments expected of the NEDs and Board Committee members.
- 2) Pursuant to the findings of the consultant, the Board had approved the NRC's recommendation for a revision to the NEDs' Remuneration Framework for submission to shareholders for approval. The rationale of the proposal and the quantum of fees payable to the NEDs for the period from 27 June 2020 until the next AGM of the Company were set out in the Corporate Governance Overview Statement and Explanatory Note 4 of the Notice of the AGM on pages 145 and 364 of the Annual Report 2019, respectively.
- 3) Ordinary Resolution 4, if passed, would authorise the Company to continue paying the NEDs' fees on a monthly basis after every 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.

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

7.0 ORDINARY RESOLUTION 5
- PAYMENT OF BENEFITS TO THE NON-EXECUTIVE DIRECTORS UP TO AN AMOUNT OF RM500,000 FOR THE PERIOD FROM 27 JUNE 2020 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN YEAR 2021

7.1 The Chairman informed the Meeting that Ordinary Resolution 5 was in relation to the payment of benefits to the NED up to an amount of RM500,000 for the period from 27 June 2020 until the next AGM of the Company to be held in year 2021.

7.2 The Chairman briefed the Meeting :

- 1) Section 230 (1) of the Companies Act 2016 provided amongst others, that “any benefits” payable to the directors of a listed company and its subsidiaries should be approved at a general meeting.
- 2) The total benefits payable to the NEDs for the period from 27 June 2020 until the next AGM of the Company to be held in year 2021 was expected to increase in view of the payment of meeting allowance of RM1,500 per person per meeting for Special Committee of the Board and per diem allowance for official events payable on a reasonable claims basis. Nevertheless, since the actual utilisation amount was not expected to exceed RM500,000, the Company sought the shareholders’ approval for the same approval limit of RM500,000 as that obtained at the last AGM.
- 3) The details of the benefits sought to be approved under Ordinary Resolution 5 were set out in the Board Remuneration Framework on pages 142 to 143 of the Corporate Governance Overview Statement in the Annual Report 2019 which should be read together with Explanatory Note 5 of the Notice of the 47th AGM under page 365 of the Annual Report 2019.

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

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

8.0 ORDINARY RESOLUTION 6
- RE-APPOINTMENT OF AUDITORS

8.1 The Chairman informed the Meeting that Ordinary Resolution 6 was in relation to the re-appointment of PricewaterhouseCoopers PLT for the financial year ending 31 December 2020 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 2020 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.

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

9.0 ORDINARY RESOLUTION 7
- RETENTION OF TENGKU DATUK SERI AHMAD SHAH ALHAJ IBNI ALMARHUM SULTAN SALAHUDDIN ABDUL AZIZ SHAH ALHAJ AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

9.1 The Chairman informed the Meeting that Resolution 7 was in relation to the retention of Tengku Datuk Seri Ahmad Shah Alhaj Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj as an Independent NED.

9.2 The Chairman further informed the Meeting :

- 1) Based on the approval of the shareholders obtained at the Company's last AGM held on 2 May 2019, Tengku Datuk Seri Ahmad Shah, who has served for more than nine (9) years, was retained as an Independent NED up until the 47th AGM.
- 2) The proposed Ordinary Resolution 7, if passed, would allow Tengku Datuk Seri Ahmad Shah to continue to act as an Independent NED until the conclusion of the next AGM of the Company in year 2021.
- 3) The Board through the NRC had assessed the independence of Tengku Datuk Seri Ahmad Shah and agreed that his retention as Independent NED was in the best interest of the Company.
- 4) 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 2019. The profile of Tengku Ahmad Shah was set out on page 97 of the Annual Report 2019.

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

9.4 Since 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 Tricor's TIIH Online website at <https://tiih.online>.

10.0 ORDINARY RESOLUTION 8
- 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

10.1 The Chairman informed the Meeting that Ordinary Resolution 8 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 28 April 2020, a copy of which had been issued electronically to the shareholders together with the Annual Report 2019.

- 10.2 The Chairman briefed the Meeting :
- 1) The proposed Ordinary Resolution 8, 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 MMLR of Bursa Malaysia. 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.
- 10.3 The Chairman informed the Meeting :
- 1) All 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 28 April 2020. The estimate aggregate value of this category of this transaction could not be ascertained given the various types of properties sold by our Group with prices varying from project to project. However, in accordance with Paragraph 3.3 (a) of Practice Note 12 of the MMLR, the value of the transaction shall not exceed 10% of any one (1) of the percentage ratios.
 - 2) Datuk Dr. Mohd Daud Bakar, Encik Rizal Rickman Ramli and the Chairman were also deemed interested in the RRPT under items 3 and 4 of Section 2.4 (i) – 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.
- 10.4 In view of the above, all Directors of the Company would abstain from voting on Ordinary Resolution 8.
- 10.5 The Chairman then invited the GMD to read out the questions received from the shareholders in advance and the live questions received.
- 10.6 Since there were no questions raised by the shareholders, the Chairman invited the shareholders to cast their votes on Ordinary Resolution 8 via the e-voting platform on Tricor's TIIH Online website at <https://tiih.online>.
- 11.0 ANY OTHER BUSINESS**
- 11.1 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.
- 11.2 The Chairman further informed the Meeting that the Group Secretary had confirmed that no notice had been received from the shareholders to transact any other ordinary business at the Meeting.

12.0 **POLL VOTING**

- 12.1 The Chairman reminded the shareholders to cast their votes via the RPV facilities as the voting session would end in 10 minutes.
- 12.2 The Chairman then (after 10 minutes) announced that the voting session for the 47th AGM had concluded and thanked all shareholders for their participation and patience throughout the entire 47th AGM.
- 12.3 The Chairman informed the Meeting that the Poll Administrator, Tricor, would compile and hand over the poll results to the Independent Scrutineers, Deloitte, for validation.
- 12.4 The Chairman declared that the 47th AGM be adjourned at 11.50 a.m. to facilitate the completion of the verification for declaration of poll results in respect of Resolutions 1 to 8.

13.0 **POLL RESULTS**

- 13.1 The Chairman called the Adjourned 47th AGM to order at 12.15 p.m. for the announcement of the poll results.
- 13.2 The Chairman invited Encik Ho Siew Kei, representing Deloitte, the Independent Scrutineers for the polling exercise, to read out the poll results to the shareholders participating at the Meeting.
- 13.3 **Ordinary Resolution 1 – Re-election of Dato' Jaganath Sabapathy**

Encik Ho Siew Kei announced the poll result in respect of the following Ordinary Resolution 1 as carried :

“THAT Dato' Jaganath Sabapathy, who retired by rotation pursuant to Rule 111 of the Constitution of the Company, be re-elected as a Director of the Company.”

Voted For		Voted Against	
No. of shares	%	No. of shares	%
5,629,739,036	99.913	4,884,090	0.087

- 13.4 **Ordinary Resolution 2 – Re-election of Encik Rizal Rickman Ramli**

Encik Ho Siew Kei announced the poll result in respect of the following Ordinary Resolution 2 as carried :

“THAT Encik Rizal Rickman Ramli, who retired by rotation pursuant to Rule 111 of the Constitution of the Company, be re-elected as a Director of the Company.”

Voted For		Voted Against	
No. of shares	%	No. of shares	%
5,620,788,152	99.712	16,259,974	0.288

13.5 Ordinary Resolution 3 – Re-election of Dato' Azmir Merican

Encik Ho Siew Kei announced the poll result in respect of the following Ordinary Resolution 3 as carried :

“THAT Dato' Azmir Merican, who retired pursuant to Rule 92.3 of the Constitution of the Company, be re-elected as a Director of the Company.”

Voted For		Voted Against	
No. of shares	%	No. of shares	%
5,636,677,621	99.993	380,505	0.007

13.6 Ordinary Resolution 4 – Payment of Directors' Fees to the Non-Executive Directors for the period from 27 June 2020 until the next AGM of the Company to be held in year 2021

Encik Ho Siew Kei announced the poll result in respect of the following Ordinary Resolution 4 as carried :

“THAT the payment of Directors' Fees to the Non-Executive Directors for the period from 27 June 2020 until the next AGM of the Company to be held in year 2021, be approved.”

Voted For		Voted Against	
No. of shares	%	No. of shares	%
5,636,733,643	99.995	255,465	0.005

13.7 Ordinary Resolution 5 – Payment of Benefits to the Non-Executive Directors up to an amount of RM500,000 for the period from 27 June 2020 until the next AGM of the Company to be held in year 2021

Encik Ho Siew Kei announced the poll result in respect of the following Ordinary Resolution 5 as carried :

“THAT the payment of benefits to the Non-Executive Directors up to an amount of RM500,000 for the period from 27 June 2020 until the next AGM of the Company to be held in year 2021, be approved.”

Voted For		Voted Against	
No. of shares	%	No. of shares	%
5,619,200,270	99.685	17,775,597	0.315

13.8 Ordinary Resolution 6 – Re-appointment of PricewaterhouseCoopers PLT for the financial year ending 31 December 2020 and to authorise the Directors to fix their remuneration

Encik Ho Siew Kei announced the poll result in respect of the following Ordinary Resolution 6 as carried :

“THAT PricewaterhouseCoopers PLT be re-appointed as Auditors of Sime Darby Property for the financial year ending 31 December 2020 at a remuneration to be determined by the Directors.”

Voted For		Voted Against	
No. of shares	%	No. of shares	%
5,512,499,630	97.790	124,559,296	2.210

13.9 Ordinary Resolution 7 – Retention of Tengku Datuk Seri Ahmad Shah Alhaj Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj as an Independent Non-Executive Director

Encik Ho Siew Kei announced the poll result in respect of the following Ordinary Resolution 7 as carried :

“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 has served for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting.”

Voted For		Voted Against	
No. of shares	%	No. of shares	%
5,633,602,921	99.939	3,455,205	0.061

13.10 Ordinary Resolution 8 – 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

Encik Ho Siew Kei announced the poll result in respect of the following Ordinary Resolution 8 as carried :

“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 28 April 2020 (“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."

Voted For		Voted Against	
No. of shares	%	No. of shares	%
1,682,685,136	99.851	2,513,812	0.149

14.0 CONCLUSION

- 14.1 The Chairman informed the Meeting that the results of the poll voting would be announced to Bursa Malaysia in the evening.
- 14.2 The Chairman recorded a vote of appreciation to Dato' Johan Ariffin, who would retire upon the conclusion of the 47th AGM, for his immense contribution to the Company during his tenure as a Director of the Company.
- 14.3 The Chairman then thanked all participants including the shareholders, Board Members, Group Secretary and Senior Management Team for their participation at the 47th AGM.
- 14.4 There being no other business to be transacted, the Meeting ended at 12.20 p.m. with a vote of thanks to the Chairman.

15.0 AFTER THE MEETING

- 15.1 Sime Darby Property had received further questions which were submitted by the shareholders through the query box provided in the RPV facilities during the 47th AGM. Management had responded to each question within five (5) working days from the 47th AGM. The questions and responses are enclosed as **Appendix 3** to this Minutes.