

SIME DARBY PROPERTY BERHAD

APPENDIX TO MINUTES OF THE 49TH ANNUAL GENERAL MEETING HELD ON 24 MAY 2022 (“49th AGM”)QUESTIONS AND RESPONSES

NO.	QUESTION	RESPONSE
1.	<p>Shareholders who have requested and suggested to the Board of Directors to consider providing e-vouchers / e-wallets for shareholders who attended the AGM as a token of appreciation are as follows:</p> <ul style="list-style-type: none"> (i) Cik Chea Ah Chun (ii) Cik Chua Ai Guat (iii) Cik Daberah Ann Danker (iv) Cik Goh Wee Wee (v) Cik Hoh Ah Moy (vi) Cik Lau Yong En (vii) Cik Tan Bee Hoon (viii) Cik Tee Tzien Woei (ix) Cik Tee Tzien Yung (x) Cik Teh Bee Leh (xi) Cik Teh Sue Leng (xii) Cik Wong Yoke Tho (xiii) Cik Yong Yang Har (xiv) Encik Adrian Tay Kim Ming (xv) Encik Chin Foi Men (xvi) Encik Ho Wing Seng (xvii) Encik Lee Chong Sing (xviii) Encik Lee Sze Teng (xix) Encik Lee Tuck Feong (xx) Encik Lim Pin Yeong (xxi) Encik Low Len Toong (xxii) Encik Lum Choong Ying (xxiii) Encik Ronald Danker 	<p>The Group is committed towards maximising shareholders' returns via payment of dividends.</p>

NO.	QUESTION	RESPONSE
	(xxiv) Encik Tan Chun Kiat (xxv) Encik Tan Kong Ang (xxvi) Encik Te Seng Whatt @ Tay Seng Whatt (xxvii) Encik Tee Kim Hong (xxviii) Encik Teh Peng Tin (xxix) Encik Thavarajan A/L Muthiah Pillai (xxx) Encik Warren Tay Kim Leng	
2.	<u>Annual Report 2021</u> 2.1 Shareholders who have requested a copy of the 2021 Annual Report : (i) Cik Tan Swee Eng (ii) Cik Tham Kwan Leng (iii) Encik Cheong Sian Hoe (iv) Encik Chong Yen Fo (v) Encik Lew Tuck Wai	Thank you for your question. We will request Tricor to arrange for delivery to your address.
2.2	Shareholders who earlier have requested a hardcopy of the annual report but have yet to receive a copy: (i) Encik Liew Hin Choy (ii) Encik Wha Kien Loy (iii) Encik Terence Lim Meng Foong	Our apologies for the inconvenience caused. We will follow up with Tricor and have it delivered to you. Thank you.
3.	<u>Joint ventures-related matters</u> 3.1 How does our Joint Venture (“JV”) with LOGOS go about raising funds from investors? Is it by way of the JV issuing and selling bonds to investors, and what are the salient points (coupon rate, tenure) of the bonds? Out of the initial target fund size of US \$200M, how much funds have we managed to raise to-date? (Encik Ong Leong Huat)	(i) By allowing investors to subscribe for partnership interests in the Fund in which there is shared risk and upside (not a bond instrument, no fixed coupon/repayment). (ii) To date, 50% commitment has been secured, and fundraising is ongoing for the balance 50% till end the of the year.

NO.	QUESTION	RESPONSE
		(iii) Nonetheless, Group is focused on 1st close with this 50% in mid-2022.
3.2	<p>The inventory levels of the JV in Battersea increased substantially from RM11.710 billion in FY2020 to RM14.217 billion in FY2021.</p> <p>(i) Why have the Inventories surged despite fewer launches in Battersea JV?</p> <p>(ii) What are the current levels of inventories compared to the levels as at 31 December 2021?</p> <p>(Encik Lew Tuck Wai)</p>	<p>(i) Increase in inventory balance due to development costs incurred during the year.</p> <p>(ii) The Group has yet to announce the financial results subsequent to 31 December 2021.</p>
3.3	<p>Our Melawati Mall has already been in operations for close to five (5) years and during this period, it has remained in the red most of the time despite achieving reasonably strong occupancy of over 80%. Please explain the reasons for its poor results, and do we plan to exit our 50% stake in the JV in line with our strategy to monetise low-yielding assets?</p> <p>(Encik Ong Leong Huat)</p>	<p>(i) The operational and financial performance of the mall has been impacted by the pandemic over the last two (2) years (MM generated -RM7m losses); with (a) lower footfall (~10k/day on average compared to 20-30k pre-pandemic levels), (b) additional OPEX incurred, e.g. cleaning, (c) giving of financial rebates/incentives to tenants to aid them through these difficult times (~RM4.2m).</p> <p>(ii) Notwithstanding, Melawati Mall remains a strategic asset in the wider Sime Property Melawati/KL East township; placemaking crucial as part of our strategy.</p> <p>(iii) The Group will continue to review its performance and way forward for the mall.</p>

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3.4	<p>The Group subscribed for additional shares in JVs (page 240 of Annual Report), presumably in Battersea JV.</p> <p>(i) What are the reasons for the huge amount of RM660.901 million invested in FY2021 compared to only RM45.865 million in FY2020?</p> <p>(ii) How much dividends were received from the Battersea JV between FY2019-2021?</p> <p>(Encik Lew Tuck Wai)</p>	<p>(i) In line with the funding programme, amounts invested are for the funding of development costs during the year mainly for Phase 2 and Phase 3 to ensure the successful completion of these phases.</p> <p>(ii) None to date.</p>
4.	<p>Build condos with less facilities to reduce the selling price or build landed properties. (Cik Chea Ah Chun)</p>	<p>Thank you for your valuable suggestion. Management will consider this suggestion. It should be noted that all our products undergo rigorous research and planning with respect to the targeted customer segment.</p>
5.	<p>Why not diversity to infrastructure to build roads and bridges to solve traffic jams? (Encik Lim San Kim)</p>	<p>Thank you for your suggestion; however, the Group's focus and core expertise lies with property development for residential, commercial, and industrial segments and not infrastructure.</p>
6.	<p>Build another access to Singapore to solve nightmare traffic jams then can start to collect tolls. (Encik Lim San Kim)</p>	<p>The Group is focused on property development and not infrastructure.</p>
7.	<p>Times are bad. No need presentation to save cost. (Encik Lim San Kim)</p>	<p>Thank you for your comment. We appreciate all views and feedback from our shareholders. Please note that we take our annual briefings to our shareholders as a key corporate event. Hence some costs are expected to be incurred, nevertheless budgeted for.</p>
8.	<p>Notice that Sime Property has utilised Facebook live to showcase its properties. How much booking has this generated? (Encik Teo Cher Ming)</p>	<p>Based on a recent campaign utilising Facebook Live as a tool, it was noted that bookings generated via this tool comprised 60% of total bookings.</p>

NO.	QUESTION	RESPONSE
9.	<p><u>The cost of conducting the AGM</u></p> <p>9.1 I understand there is an allocation budgeted for AGM, Extraordinary General Meetings (“EGM”) expenses, and it includes door gifts. Doesn't the company also save a fair bit by holding the AGM virtually (compared to physical meetings)? (Encik Chong Yaw Thong @ Chong Yoke Lin)</p>	<p>Thank you for your comment, we appreciate all views and feedback from our shareholders. Please note that we take our annual briefings to our shareholders as a key corporate event, hence some costs are expected to be incurred, nevertheless budgeted for. However, there will be no distribution of door gifts or food vouchers to shareholders. The Group is committed towards maximising shareholders’ returns via payment of dividends, while taking into consideration funding requirements for growth and transformation plans.</p>
9.2	<p>How can a virtual meeting cost more than a physical meeting? This meeting is very expensive. (Encik Lim San Kim)</p>	<p>Thank you. Kindly note that the cost of virtual meetings is lower comparatively due to costs incurred for physical event space rental, refreshments, and additional requirements for in-person scrutineering and registration.</p>
10.	<p>Sime Property is near at an all-time low and how are u attracting investors to buy your shares? (Encik Ho Wing Seng)</p>	<p>(i) The company is cognisant of the discount to its share price which in turn may be related to the low liquidity of the shares. It should be noted that in 2021, Sime Property generated a TSR of ~2% which is consistent with that of FBM KLCI at also 2%.</p> <p>(ii) Management is committed to an improved financial performance from 2022 onwards, with the gradual recovery of the wider economy and property market, buoyed by Sime Property's SHIFT25 strategy & plans to grow and diversify its income streams.</p> <p>(iii) Through increased Investor Relations efforts, Management will also work on improving trading liquidity of Sime Property shares, which may also have impact on share price performance.</p>