24 May 2023

Extraordinary General Meeting

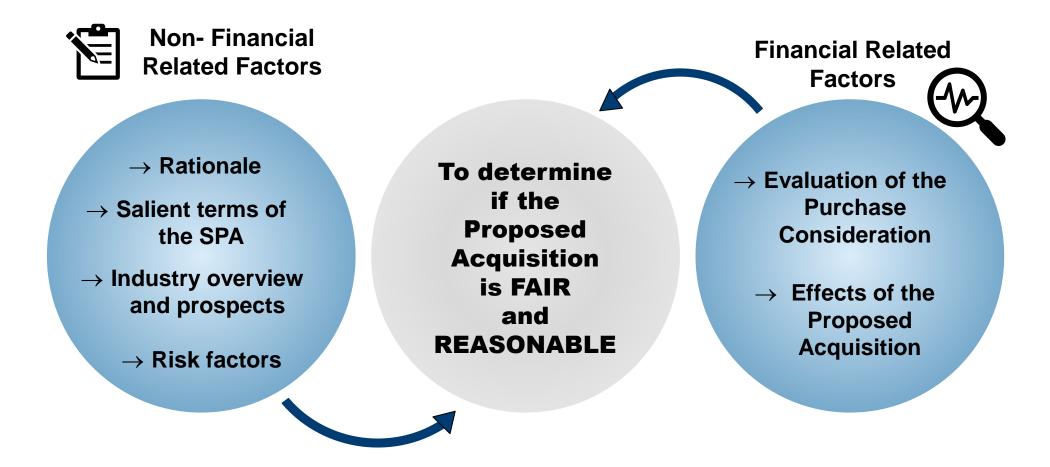
Presentation to the non-interested shareholders of Sime Darby Property Berhad

Out think. Out perform.



Overview

Evaluation of the Proposed Acquisition





Rationale



Key role in the execution of the Group's SHIFT25 strategy

- Kapar Land will be earmarked for industrial development
- ► To contribute to the growth of the industrial and logistics development business in line with its SHIFT25 strategy

The Kapar Land location is ideal for industrial development

- ▶ Due to its proximity and connectivity within Klang and to Shah Alam, with access to major infrastructure within the Klang Valley
- Situated within a mature industrial and commercial area of Bandar Bukit Raja, Klang



Catalyst for the Group's expansion in developing and managing industrial assets

 Envisaged to be developed into an integrated and sustainable industrial development which will facilitate the expansion in developing and managing industrial assets

The rationale for the Proposed Acquisition is reasonable



Purchase Consideration

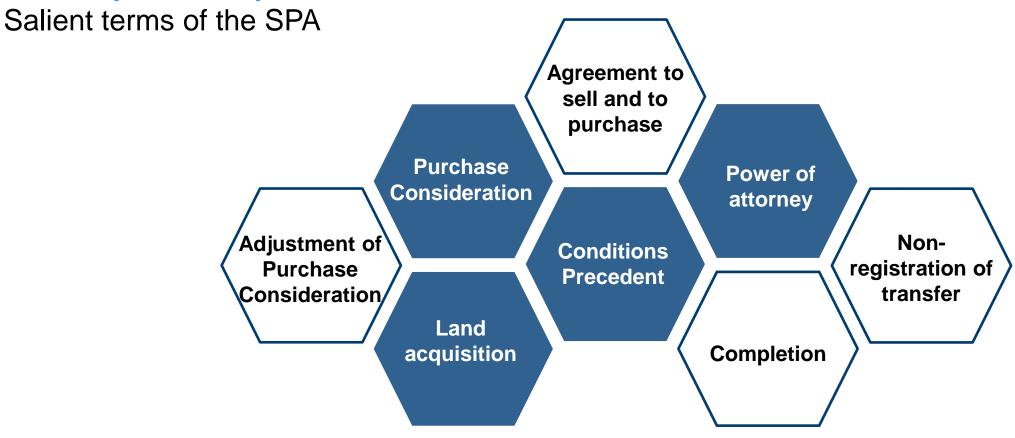


Purchase Consideration of RM618.0 million

- Willing-buyer willing-seller basis
- Purchase Consideration is equivalent to the market value of the Kapar Land
- Adoption of the comparison approach as the only approach of valuation is reasonable as the Kapar Land is a vacant land without development plans and approval
- The bases and assumptions used for the valuation are reasonable

The Purchase Consideration for the Proposed Acquisition is fair





- ► The interest of the SD Property is generally protected under the SPA
- ► No deadline imposed for the refund of monies or payment of liquidated damages, however SD Plantation has the obligation to refund/pay such monies within a reasonable time under Section 47 of the Contracts Act 1950



Industry overview and prospects

Malaysian economy

 Malaysian economy grew by 8.7% in 2022, driven by improved labour market conditions and rebound in economic activity

Property sector

Property market has shown signs of growth in 2022

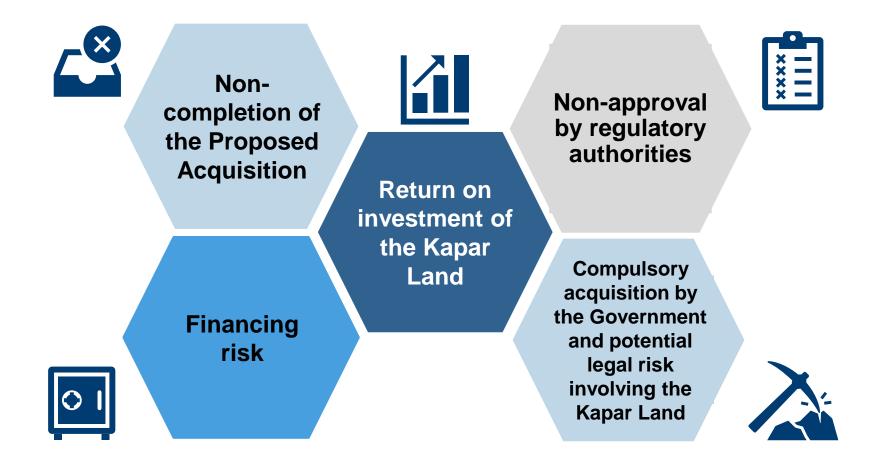
 Growth momentum of the industrial property market is foreseen to continue, particularly in Klang Valley

Prospects of the Kapar Land

- Opportunity to expand its industrial land bank in Bandar Bukit Raja, Klang in Selangor
- To be developed into an integrated sustainable industrial township, i.e. the Proposed Development. The Proposed Development is expected to enhance the revenue and income stream of the Group over its phased development period



Risk Factors



No assurance can be given that any change in these factors will not materially affect the Group's business operations and financial performance



Effects of the Proposed Acquisition

- Share capital –
 No effect
- Substantial shareholders' shareholdings
 - No effect

Share capital and substantial shareholders' shareholdings

- ► NA RM9.520 bil to RM9.519 bil
- ► NA per share remain at RM1.40
- ► **Gearing –** 0.31 times to 0.37 times

NA, NA per share and gearing

- ► **Earnings** RM315.84 mil to RM295.00 mil
- ► **EPS** 4.64 sen to 4.34 sen

Earnings and EPS

- ► The effects are consequential to the cash acquisition and potential new borrowings to be taken and/or drawdown
- ► The Proposed Acquisition and subsequent Proposed Development, when implemented are expected to be earnings accretive in the future for the Group



Our Recommendation

Taking into consideration our overall assessment and evaluation of the Proposed Acquisition

We are of the view that the Proposed Acquisition is

FAIR AND REASONABLE and is NOT DETRIMENTAL

to the Non-Interested Shareholders

We recommend that you

VOTE IN FAVOUR



of the Proposed Acquisition



Thank you

