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9 June 2026

MINORITY SHAREHOLDERS WATCH GROUP (MSWG)
Level 23, Unit 23-2
Menara AIA Sentral
No.30, Jalan Sultan Ismail
50250 Kuala Lumpur

Dear Sir,

53RD ANNUAL GENERAL MEETING OF SIME DARBY PROPERTY BERHAD ("THE COMPANY" or "THE COMPANY") TO BE HELD ON WEDNESDAY, 10 JUNE 2026

We refer to your letter which was emailed to us on 4 June 2026 in relation to the above.

Please find our responses to the following questions raised by MSWG in the interest of minority shareholders and all other stakeholders of the Company:

Operational and Financial Matters

1. **Future earnings visibility from 2027 onwards has been strengthened through two 20-year data centre leases valued at RM7.6 billion. (Source: Page 186 of Annual Report 2025)**

   (a) **Following the Group's successful collaboration with Pearl Computing Malaysia Sdn Bhd on two hyperscale data centres, has the Group secured sufficient and sustainable long-term power capacity to support both the current projects?**

   (b) **What are the expected annual recurring revenue and profit contributions once both projects are fully operational?**

   Response:

   (a) Pearl Computing Malaysia Sdn. Bhd. has entered into a long-term Electricity Supply Agreement ("ESA") with Tenaga Nasional Berhad to secure the electricity supply required for the operation of its two hyperscale data centres. The ESA provides the company with sufficient power capacity to support its current and anticipated operational requirements.

   (b) The estimated lease value of the two data centres is up to RM7.6 billion over a 20-year tenure under a triple-net lease structure. The data centres are expected to make a meaningful recurring income contribution to the Group's industrial & data centre portfolio, delivering overall portfolio rental yields in line with market benchmarks of 6%–7%.

The data centre transactions are subject to strict confidentiality at the request of our client, given the highly competitive nature of the industry. As such, the Group is unable to disclose specific details at this juncture.

2. In the United Kingdom, Battersea Power Station ("Battersea") remains a key flagship asset, attracting over 13.6 million visitors in 2025 and more than 40 million since opening. Phase 3B (Koa) achieved 86% of sales, while 50 Electric Boulevard is approximately 45% leased, with established tenants in place. (Source: Page 18 of Annual Report 2025)

(a) Given that 50 Electric Boulevard is currently about 45% leased, when does management expect the asset to achieve stabilised leasing levels and what are the key challenges in improving occupancy?

(b) Battersea Power Station continues to show encouraging operational progress, with Phase 3C scheduled to commence construction this year. What is the expected investment commitment for Phase 3C, and when does management expect Battersea to become a meaningful contributor to the Group's earnings and recurring income?

<u>Response:</u>

(a) Business sentiment in the London office market is gradually recovering from the 14 interest rate hikes and low GDP growth since the 2023 recession, with cautious occupier sentiment and longer decision-making cycles among multinational tenants. Management's current strategy focuses on attracting premium tenants and securing long-term leases to enhance income visibility while maintaining competitive rental yields, rather than maximising occupancy at the expense of pricing or tenant quality.

Notwithstanding, we are currently seeing increased tenant enquiries, higher viewing activity and have an additional 13% floor space currently in advanced stage negotiations. Management expects the occupancy levels to continue improving progressively over the next 12 months while continuing to monitor external uncertainties.

(b) Phase 3C is supported by encouraging progress on funding following receipt of term sheets from multiple banks. In 2025, the Group provided shareholders' advance of RM147 million to Battersea Project Holding Company Limited as part of the funding requirement for Phase 3C. Moving forward, there will be disciplined capital injection to fund P3C development.

Under the 10:90 Build-then-sell model in UK, BPS is expected to remain loss-making during the P3C development period largely attributable to operating expenses and interest costs. Turnaround is expected towards 2030 after completion of Phase 3C.

3. The Group entered Melbourne through the AUD1 billion GDV AURUM development at 380 Queen Street, comprising residential and purpose-built student accommodation ("PBSA"). The project marks Sime Darby Property's entry into Australia and the PBSA asset class, with residential launch targeted in 2026. (Source: Page 18 of Annual Report 2025)

(a) With the residential component of AURUM launched in 2026, what sales take-up rate is management targeting, and how has initial buyer interest been to date?

(b) The AURUM development marks the Group's first entry into the Australian PBSA market. What competitive advantages does the Group possess, and how does management intend to differentiate the project from existing PBSA operators?

(c) What is the expected completion timeline for the PBSA component of AURUM, and when is it expected to commence operations?

Response:

(a) The residential component of AURUM is targeted for launch in 2H 2026, with the Group targeting a 40% take-up rate within the first 12 – 18 months of launch with a targeted construction completion towards 2030. The Group will engage the local market and international investor channels to build qualified demand ahead of the public launch.

(b) AURUM is strategically located in the Central Business District with strong connectivity to public transport and is in close proximity to leading universities including RMIT and University of Melbourne. This drives strong underlying demand and supports premium pricing relative to secondary markets.

The Group is working with an established Australian PBSA specialist who will assist the Group on development planning to ensure alignment with market best practices, student accommodation standards and differentiate AURUM as a community-centric living experience designed to enhance the student experience and their wellbeing.

(c) The PBSA component of AURUM is expected to be completed and operational by 2030.

Sustainability Matters

4. The Group disclosed two fatalities during FY2025 despite strengthened safety initiatives and AI-enabled monitoring tools. (Source: Page 20 of Annual Report 2025)

What additional measures are being implemented to prevent recurrence across project sites and contractors?

Response:

Following the incidents at property construction and leisure operations, the Group implemented a series of corrective and preventive measures, including enhanced protective equipment requirements, reinforced safety awareness programmes, additional site safety controls and the development of a standardized Roadwork Traffic Control Guidebook.

The contractor involved in the property construction incident has also been placed under a formal one-year watchlist, subject to heightened monitoring, stricter supervision and performance reviews. In addition, all critical live traffic-related works will be subject to an independent technical review by the HQ team prior to commencement.

Beyond these site-specific measures, the Group is strengthening safety management across its operations and value chain through enhanced contractor governance, including tighter performance monitoring and oversight of high-risk activities. The Group has also increased leadership-led safety engagements, expanded the deployment of AI-enabled safety tools such as SafePass AI and Guardian AI to improve risk detection and real-time monitoring, and is standardising key safety controls and assurance processes across similar sites and projects. Together, these measures aim to strengthen safety accountability, improve hazard identification and prevention, and reinforce a stronger safety culture in support of the Group's Goal Zero commitment.

5. **The Group has identified climate risks, including flooding and transition risks, but has not quantified the financial impact. (Source: Page 125 and 126 of Annual Report 2025)**

When will the Board be able to disclose estimated climate-related capex, potential asset impairment exposure and expected impact on margins and cash flows?

Response:

The Group recognises the importance of quantifying the financial impacts of climate-related risks. In line with Bursa Malaysia's National Sustainability Reporting Framework, the Group is progressively enhancing its climate-related disclosures in accordance with the IFRS Sustainability Disclosure Standards and strengthening its capabilities to assess the potential financial implications of climate-related risks and opportunities.

As the Group's climate risk assessment processes mature and more reliable data becomes available, the Group will continue to evaluate and disclose material climate-related financial impacts, including potential impacts on capital expenditure, asset values, margins and cash flows, where such information can be reasonably estimated and supported.

6. **The physical climate risk assessment currently covers only seven townships and relies on high-level desktop tools. (Source: Page 203 of Annual Report 2025)**

What percentage of the Group's total landbank, GDV and investment assets has not yet been assessed for physical climate risk?

Response:

The seven townships disclosed represent a pilot phase, where we went beyond high-level desktop outputs to validate key risk signals and understand existing mitigation and adaptation measures on the ground. Building on the pilot learnings, in 2026 the Group will strengthen verification and validation to complement desktop analysis. The outcomes of this enhanced assessment are intended to be disclosed from 2026 onwards.

As of May 2026, the remaining Group's assets to be covered in the abovementioned physical climate risk assessment are as below:

- % of Total landbank (excluding non-core): ~50%
- % of Total GDV: ~60%
- % of Total Investment Assets Under Management: ~40%

7. **The Group highlights nature-based solutions as an important component of its Net Zero pathway and reported that the regenerated forest at KL East Park stores approximately 7,983 tonnes of CO_2e and sequesters a further 345 tonnes of CO_2e annually. (Source: Page 58 of Sustainability Report 2025)**

While these initiatives are commendable and provide valuable benefits for biodiversity and climate resilience, we note that the Group's annual Scope 1 and Scope 2 emissions remain significantly higher than the annual carbon sequestration currently disclosed.

(a) Could the Board elaborate on the extent to which the Group's Net Zero strategy relies on nature-based carbon removals? Specifically, what are the projected residual emissions that will remain in 2030 and 2050, and how much of these emissions are expected to be addressed through nature-based solutions?

(b) Does the Board believe the Group's current nature-based solutions programme is sufficiently scaled to make a material contribution towards achieving its Net Zero ambition?

Response:

(a) The Group's Net Zero target does not currently rely on nature-based carbon removals to offset emissions. The Net Zero pathway is deliberately anchored on direct decarbonisation measures, including energy efficiency and energy conservation, alongside the progressive increase in renewable energy consumption and generation. This includes the purchase of green electricity from the grid, the use of renewable energy certificates where appropriate, and the development of our own renewable energy assets, including on-site and larger-scale renewable energy solutions. While the Group has disclosed the carbon storage and sequestration potential from selected nature-based initiatives, these have not been factored into our Net Zero abatement calculations, and we have not allocated residual emissions in 2030 or 2050 to be addressed through nature-based solutions at this stage.

(b) We recognise that nature-based solutions such as carbon sequestration and ecological restoration can play a complementary role in supporting climate mitigation over the longer term. However, the current scale of the Group's nature-based solutions programme is not material relative to our overall emissions profile and is not relied upon as a significant contributor towards achieving its Net Zero target.

Instead, the Net Zero pathway is primarily driven by direct decarbonisation measures, including energy efficiency, renewable energy adoption and operational emissions reduction. The Group continues to assess the carbon benefits arising from biodiversity and ecosystem restoration initiatives as carbon accounting methodologies, measurement standards and market mechanisms continue to mature.

Nevertheless, we remain encouraged by the meaningful biodiversity, climate resilience, ecosystem and placemaking benefits generated through these initiatives, which support our broader sustainability ambitions and commitment to fostering resilient communities.

Please let us know should you require any further clarification.

Thank you.

Yours faithfully,
SIME DARBY PROPERTY BERHAD

DATO' SERI AZMIR MERICAN
Group Managing Director & Chief Executive Officer

Copy to : YBhg. Dato' Rizal Rickman Ramli
Chairman, Sime Darby Property Berhad