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2 November 2026

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

Dear Sir,

EXTRAORDINARY GENERAL MEETING OF SIME DARBY PROPERTY BERHAD ("THE COMPANY" or "THE COMPANY") TO BE HELD ON TUESDAY, 3 NOVEMBER 2026 AT 2.30 P.M.

We refer to your letter, which was emailed to us on 27 October 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:

Proposed Acquisition

1. **SDP's independent valuer, Jones Lang Wootton ("JLW"), adopted the Comparison Approach by relying on a December 2024 transaction involving 59.12 acres land in Kangkar Pulai as its principal comparable in valuing the Kulai Land at RM18.01 psf. (Source: Pages 29 and 46 of the Circular) In contrast, the Vendor's independent valuer, Rahim & Co., arrived at a valuation of RM15.92 psf based on Mah Sing Group Berhad's December 2025 acquisition of approximately 419 acres land in Mukim Senai, Kulai, as its principal comparable. The Mah Sing land is located approximately 4 km from the subject land, making it geographically closer than the Kangkar Pulai comparable. (Source: Pages 34–39 of SD Guthrie Berhad's EGM Circular dated 29 September 2026).**

   Could the Board clarify whether JLW considered the Mah Sing transaction, announced on Bursa Malaysia on 19 December 2025, and the key factors supporting its selection of the Kangkar Pulai transaction instead, particularly given the Mah Sing land's closer proximity to the subject land, larger land area and more recent transaction date?

   Response:

   During JLW's valuation using the Comparison Approach, the primary objective is to select comparable transactions that closely mirror the essential characteristics of the subject property (Kulai Land) such as (i) unconverted development land zoned for residential use; (ii) held under interest in perpetuity; (iii) situated within a similar locality and (iv) adjacent to established developments. Among the 3 comparables as listed in page 29 of the Circular, Kangkar Pulai

land was selected as the principal comparable as it is a more recent completed transaction to reflect the prevailing market conditions as at the date of valuation.

JLW has not taken into account the Mah Sing Group Berhad's transaction due to the following reasons:

i. The Mah Sing Group Berhad's transaction was not completed as at the date of valuation. Mah Sing Group Berhad entered into the conditional sale and purchase agreement on 19 December 2025. Based on Mah Sing Group Berhad's Bursa Malaysia announcement dated 18 September 2026, the conditional period has been extended to 21 December 2026 which means the transaction has not been completed; and

ii. As per the Bursa Malaysia announcement dated 19 December 2025, the proposed land acquisition by Mah Sing Group Berhad is intended to be developed into an integrated industrial development known as MS Industrial Park @ Kulai. The Mah Sing land is zoned for industrial use as per the Rancangan Tempatan Daerah Johor Bahru dan Kulai 2025 (Penggantian). This does not fit JLW's comparable transaction selection criteria i.e., land zoned for residential use.

From the Group's perspective, although the Mah Sing land is approximately 4 km from the Kulai Land, it is located in a less developed area. The Kulai Land is adjacent to mature areas and a developed township. The Mah Sing land would likely require more infrastructure spending to be development-ready because of its less developed surroundings.

2. The Proposed Development has an estimated GDV of RM3 billion over 10 to 15 years, while the development cost and expected profit have yet to be determined (Source: Page 12 of the Circular).

What preliminary financial feasibility assessments were undertaken to support the RM418.5 million acquisition, and what indicative development profit margin or return on investment is targeted by the Group?

Response:

Financial feasibility assessment was undertaken to assess the viability of the Proposed Acquisition based on the preliminary layout plan comprising approximately 4,600 units of properties, of which approximately 82% are residential component.

The Group targets:

i. Gross development profit margin of ≥20%,
ii. Project internal rate of return (IRR) and Return on Invested Capital (ROIC) of ≥10%, which is above the Group's weighted average cost of capital (WACC) of 8%.

3. **The Proposed Acquisition of RM418.5 million is expected to be financed through internally generated funds and/or bank borrowings. Based on the indicative financing rate of 4.10% per annum, the acquisition could incur approximately RM17.2 million in annual financing costs if fully debt-funded (Source: Page 16 of the Circular).**

   Could the Board clarify the intended financing mix and how the Group plans to manage these financing costs before the first phase launches in 2028, while maintaining sufficient borrowing capacity for its existing and future development projects?

   Response:

   The Purchase Consideration of RM418.5 million will be funded via the following:

   i. RM75.3 million, being 18% of the Purchase Consideration was satisfied via internally generated funds and borrowings;

   ii. The balance of RM343.2 million (82%) which is payable after the SPA becomes unconditional. The balance of the Purchase Consideration will be funded through combination of internally generated funds and borrowings, with the final funding mix to be determined closer to completion in the second quarter of 2027.

   To manage financing risks and preserve borrowing capacity for existing and future development projects, the Group continuously reviews its debt portfolio, gearing levels and liquidity position.

   As at 30 June 2026, the Group's net gearing stood at 35.5%. The Group considers that it has sufficient debt headroom to support existing and future development projects and will continue monitoring funding requirements and gearing level. As the first phase launch of the proposed development is only expected in 2028, the Group has adequate time to plan and align its funding requirements accordingly.

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