



RESPONSES TO QUESTIONS RECEIVED

IN RELATION TO THE 14TH ANNUAL GENERAL MEETING ("AGM") OF THE COMPANY

UEM SUNRISE BERHAD ("THE COMPANY")

200801028815 (810144-W)

A. Questions received from Minority Shareholders Watch Group ("MSWG")

– Operational/Financial Matters

Question 1

Underperforming assets and investments have also been identified for strategic divestment purposes, as part of the Group strategy to build its competitive advantage [page 22 of Integrated Annual Report ("IAR")].

- (a) Please name the underperforming assets and investments that have been earmarked for divestment.**
- (b) What will be the financial impact to the Group resulting from the divestment of underperforming assets and investments?**
- (c) Has the divestment of underperforming assets and investments been completed? If not, when will it be completed?**

Response

- (a) We have identified few property assets and several land parcels that are not aligned with our overall business objectives for monetisation purposes. These property assets and land parcels are valued in excess of RM300 million. Some of these transactions are currently under negotiation whilst others are still at the preliminary sales stage.

Transactions at the advanced stage includes part of our land sales in Tapah, Perak measuring 623 acres which was divested at RM29.9 million in August 2020, currently pending the fulfillment of the agreement's conditions precedent as well as part of the industrial plots in phase 3 of the Southern Industrial and Logistics Clusters ("SiLC"). Other proposals are at various stages of sales. Once we have further clarity, we will announce them accordingly.

- (b) In the event that we are successful in monetising these assets and investments, we will be able to potentially realise profits of approximately RM100 million at the Group's gross profit level in addition to cashflow inflow of about RM300 million. The cash proceeds from the monetisation exercise will be utilised to meet the Group's funding requirements including paring down borrowings to improve the Group's gearing level.
- (c) The divestment of such underperforming assets and investments have not been fully completed at this juncture, and is expected to continue throughout 2022 and into the first half of 2023.

Question 2

The Group's sales target for FY2022 is RM1.5 billion, by launching projects worth up to a Gross Development Value, ("GDV") of RM3.3 billion (page 24 of IAR).

- (a) The FY2022 sales target is similar to the sales figure achieved in FY2021. Why has the Group set a low sales figure for FY2022 given that the country has fully reopened with most economic sectors resuming normal operations?**
- (b) Where are the locations of the new launches and the respective GDVs?**

Response

- (a) Notwithstanding the anticipated economic recovery in 2022 anchored by a rebound in the domestic demand, successful vaccination programme and the reopening of international borders in early April 2022, amongst others, there are still headwinds ahead. We are cautious of inflationary pressures underpinned by supply disruptions, surging commodity prices, hikes in interest rates and the overall global economic uncertainty.

In view of the absence of the Home Ownership Campaign in 2022, which affected buyers' sentiment earlier this year, we are seeing market demand slowly adjusting to this new environment as evidenced from the encouraging interest we receive on our properties recently.

- (b) 52% of the total planned GDV is anticipated to be from projects in the Central region, primarily in Cheras, Mont'Kiara, Bangi and Equine Park, Seri Kembangan. 24% is expected to be from the Southern region, by developments in Iskandar Puteri, while the balance 24% is projected to be from our newest development in Collingwood, Melbourne.

Question 3

The Group has disposed developed land amounting to RM192.1 million in FY2021 as compared to RM Nil in FY2020 (page 220 of IAR).

- (a) Where are the locations of the developed land and what were its respective disposal values?**
- (b) What were the reasons for disposing developed land that resulted in losses of RM18.2 million?**
- (c) Please provide the location of the land that were sold at a loss and the amount of loss.**

Response

- (a) The developed land refers to 38 industrial plots in phase 3 of SiLC in Iskandar Puteri, Johor which were sold to Pentagon Land Sdn Bhd ("PLSB"), a wholly-owned subsidiary of AME Elite Consortium Berhad, in December 2020 for RM192.1 million.
- (b) The terms and conditions of the sale for these 38 industrial plots allow for the purchase consideration to be paid up to three years from the unconditional date of the agreement. In accordance with MFRS 9, we need to discount these receivables to present value and as a result, a fair value loss of RM18.2 million was recorded. Note however that there is a nominal profit of approximately RM3.6 million arising from this sale.

The intention of the sale of SiLC phase 3 is for asset monetisation. The industrial plots sold to PLSB are the balance of the unsold industrial plots in SiLC phase 3. As part of our monetisation programme, we want to focus on our core business.

- (c) 38 industrial plots in SiLC's phase 3 in Iskandar Puteri, Johor where the fair value loss was RM18.2 million.

Question 4

The Group has reclassified the “Sukuk Prihatin” to short- term investment since the maturity period will be ending on 22 September 2022. The “Sukuk Prihatin” was issued by the Government of Malaysia and earns profit at 2.0% (2020: 2.0%) per annum (page 247 of IAR).

- (a) Why has the Group fully impaired the Sukuk Prihatin of RM22.53 million in FY2020 as it was issued by the Government of Malaysia and should be considered as a safe sovereign debt?**
- (b) What were the reasons for the Group investing in Sukuk Prihatin?**
- (c) Has the Group received any profit from Sukuk Prihatin since the date of purchase? If yes, what was the amount received to-date?**
- (d) The Group has another RM5 million Sukuk Prihatin classified as short -term investment in Note 27. Why was this amount not fully impaired like the RM22.53 million mentioned above (page 260 of IAR)?**

Response

- (a) These are two separate items. The impairment of RM22.53 million does not relate to Sukuk Prihatin.

The cumulative losses of RM22.53 million relate to companies that have been wound up over the years. These provisions will be removed from the accounts once the companies are fully liquidated.

- (b) We support the Malaysian Government’s National Economic Recovery Plan or Pelan Jana Semula Ekonomi Negara (PENJANA) introduced in June 2020 as part of its initiatives to stimulate the economy, and participated by investing in Sukuk Prihatin.
- (c) Yes, the Group has received a total profit of RM150,000 as at 31 March 2022. The profit is payable on a quarterly basis at a rate of 2 percent per annum. The Sukuk Prihatin matures on 22 September 2022.
- (d) The Group does not have another RM5 million Sukuk Prihatin. The Sukuk Prihatin has been reclassified as a short-term investment as it is due to mature within 12 months from 31 December 2021.

B. Questions received from shareholders prior to the AGM

Question on Door Gifts (Various Shareholders)

1. **Kindly give us some e-vouchers, food vouchers or e-wallet (no discount vouchers please) for being loyal shareholders and attending this meeting. Times are bad now. Please be considerate to us shareholders during these trying times.**
2. **Kindly give us some e-vouchers, food vouchers or e-wallet (no discount vouchers please) for being loyal shareholders and attending this meeting. Times are bad now. Please be considerate to us shareholders during these trying times.**
3. **I hope the Company will give some e-vouchers or e-wallets to all shareholders who are joining this AGM today.**

Response

After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at a Food & Beverage ("F&B") outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.

Shareholder 4

The past AGM voucher could not be obtained. How about this year? How to reimburse?

Response

There is no reimbursement of past AGM vouchers. For this AGM, after careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at a Food & Beverage ("F&B") outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.

Shareholder 5

- 1. Is there any discount for shareholders purchasing properties developed by the Company? Similar to the existing discount received by the directors/employees of the Company?**
- 2. In view of the rising construction cost as well as labour cost, what is the expected financial impact to the Company for existing projects that have already been sold to customers and are still in the construction phase?**

Response

1. There is no provision for discounts to shareholders at present.
2. There is minimal impact to the existing projects as most of the ongoing projects have been contracted at a fixed cost.

Shareholder 6

- 1. How will the Company sustain profit during the economic and political instability nowadays? What is the future or next development business operation?**
- 2. Can the Company sustains giving dividend to all shareholders for next year and what is the dividend policy?**

Response

1. (i) Our sustainability going forward will depend on our ability to position our products to the right market segment and to operate efficiently. We intend to launch products that are attainable to the market, accelerate such launches and ensure timely progress of all ongoing projects. We also plan to secure more landbanks to ensure a sustainable stream of project launches for the company's foreseeable future.
- (ii) We will innovate our procurement and building process to contain costs, divest non-strategic lands and assets for leaner organisation. These initiatives are outlined in our three-stage turnaround program – Triage, Stabilise, Sustain.
- (iii) We managed to turnaround our financial position after two years of losses and reported a profit for the first quarter of 2022. In the process we divested two pocket lands, the proceeds of which were recognised in the first quarter of this year and entered into a Vendors' Partnership Programme with nine specialist companies to leverage on each other and improve cost efficiencies.
- (iv) To reinforce pipeline this year, we are on track to launch new developments in Taman Connaught in Cheras, MK31 in Mont'Kiara and Collingwood in Melbourne. We anticipate a sustainable profitability position for the rest of the financial year.
- (v) The company's core business will remain in the property industry and we aim to be a balanced real estate player.
2. (i) Our dividend policy is to pay out between 20% to 40% of the Company's consolidated realised profit after tax and minority interests subject to the availability of distributable reserves and adequate free cash flow from operations, adopted on 12 June 2012.
- (ii) Any proposed future dividend will need to take into consideration the Group's financial performance, cash position and its strategic intent.

C. Questions received from shareholders, proxies and/or corporate representatives during the AGM

No	Question	Answer
1.	When will physical AGM be resumed?	Due to the evolving COVID-19, we will continue to leverage on technology to conduct our AGM. We will assess the situation and consider hybrid for future meetings.
2.	What is the rationale for the Company to approve high Directors' fees and benefits despite the Company not being able to sustain good revenue and now is making a loss?	The Directors' fees remain unchanged as per the fees approved at the last AGM held on 21 June 2021 and has remained the same for the past 10 years since the financial year 2012.
3.	<p>1. Do not engage expensive auditor.</p> <p>2. How much has the Company spent on this virtual AGM compared to a physical AGM?</p> <p>3. Better build landed properties to continue survive, or condo with less facilities to bring down selling price.</p> <p>4. Reward the participants to continue support the share price.</p>	<p>1. We take note of your comment.</p> <p>2. The estimated amount spent for this virtual AGM conducted at a broadcast venue is approximately RM113,000. For 2021 fully virtual AGM, we spent RM108,211. For a physical AGM which we held in 2019, we spent RM240,277.</p> <p>3. We take note of your comment.</p> <p>4. After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.</p>

No	Question	Answer
4.	<p>1. Does the Annual Report provide details of each Director's achievement in UEM Sunrise that warrant the payment of Directors' fees and allowances?</p> <p>2. I would like to have a set of the 2021 Annual Report hardcopy please. Thank you.</p>	<p>1. The Directors' remuneration encompasses a fixed fee for the Chairman and Board members, not by a commission or on percentage of profits or turnover. Business turnaround under the stewardship of the Board was recognised by awards such as the Industry Excellence Award in the Property category by the Minority Shareholders Watch Group.</p> <p>2. We take note and will deliver to you the hard copy of our 2021 Integrated Report after the AGM.</p>
5.	How much does the minimum wage affect the Company?	At the moment, there is no major impact as the increase in labour cost is borne by contractors. However, if the increase in cost continues, it will impact our future projects. UEM Sunrise is embarking on a group wide initiative to manage our cost efficiencies.
6.	Will the Company continue to conduct virtual AGM next year?	Due to the evolving COVID-19, we will continue to leverage on technology to conduct our AGM. We will assess the situation and consider hybrid for future meetings.
7.	Any door gifts for shareholders?	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
8.	1. Dear Board of Directors, kindly give us some e-vouchers, food vouchers or e-wallet (no discount vouchers please) for being loyal shareholders and attending this meeting. Times are bad now. Please be considerate to us	1. After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.

No	Question	Answer
	<p>shareholders during these trying times?</p> <p>2. Mr. Chairman, kindly allow us to vote when the meeting starts and not to keep us waiting for too long. Thank you.</p>	<p>2. We are pleased to share that the online voting platform is opened immediately after the Chairman concluded the briefing on the meeting and voting procedures just after the commencement of the meeting.</p>
9.	I humbly request Board of Directors to give e-wallet or e-voucher to attendees as a gesture of goodwill for this annual event.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
10.	Good morning, Mr. Chairman. Touch 'n Go e-wallet please.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
11.	Good morning, Mr. Chairman. Touch 'n Go e-wallet please.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
12.	Good morning, Mr. Chairman and Board of Directors. I wish to request for a RM75 e-voucher as a token of appreciation to shareholders who are attending this AGM. Thank you very much in	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.

No	Question	Answer
	advance for your kind consideration.	
13.	Please let us vote early. Thank you.	We are pleased to share that the online voting platform is opened immediately after the Chairman concluded the briefing on the meeting and voting procedures just after the commencement of the meeting.
14.	Are we able to get a voucher this year? I was unable to use last year's door gift due to MCO.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
15.	Dear Mr. Chairman, kindly approve door gift or e-voucher for today's AGM to the attendees.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
16.	Is there any door gift?	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
17.	<p>1. Please let us vote earlier.</p> <p>2. Your last voucher was not useful as Hyatt House used to be closed for private function and not entertain</p>	<p>1. The online voting platform was opened immediately after the Chairman concluded the briefing on the meeting and voting procedures just after the commencement of the meeting.</p> <p>2. After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to</p>

No	Question	Answer
	me. Also the place is so far away and need to pay for the parking fee.	all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
18.	<p>1. Please give us some door gifts or e-vouchers for attending this RPV. Thank you.</p> <p>2. When can we vote? Thank you</p>	<p>1. After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.</p> <p>2. The online voting platform was opened immediately after the Chairman concluded the briefing on the meeting and voting procedures just after the commencement of the meeting.</p>
19.	Please provide attending shareholders with door gift and token vouchers.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
20.	A door gift of e-voucher would be much appreciated for those attending the AGM. Thank you.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
21.	Please give us some e-vouchers or e-wallet for attending this RPV. Thank you.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.

No	Question	Answer
22.	Can shareholders who are attending the AGM be given e-wallet e.g., Touch 'n Go as the hotel voucher is too far to use?	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
23.	Please give us some e-vouchers or e-wallet for attending this RPV. Thank you.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
24.	Any plan to give e-vouchers?	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
25.	Can the Company please give us some e-vouchers or e-wallet for attending this RPV. Thank you.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
26.	Is there any door gift?	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.

No	Question	Answer
27.	Please give us a better door gift than last year in 2021. Thank you.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
28.	Good morning to the Board of Directors. I requested for a hardcopy of the Annual Report upon registering for today's virtual AGM and yet to receive it. Please send the Annual Report to me at 64, Jalan SS 1/32, Kg. Tunku, 47300 Petaling Jaya, Selangor, thank you. Being a senior myself, my eye-sights are poorer nowadays to read the glaring and fine prints of the Annual Report online in PDF format.	We take note, and will send the printed copy of the Integrated Report to the address you shared with us. Thank you.
29.	Dear Board of Directors, we need a voucher please.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
30.	Do consider providing a token door gift for attending shareholders.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.

No	Question	Answer
31.	Is there any powerpoint presentation?	A presentation on an overview of the Company's business performance in 2021 as well as the Company's growth strategies moving forward was presented by our Chief Marketing Officer at the AGM. The 14th AGM deck is available at the Company's website.
32.	Please give us voucher, thank you.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
33.	Is there any form of e-vouchers to be given to all attendees of this AGM? Can I have a hardcopy of the Annual Report send to my registered address?	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting. We will send the printed copy of the Integrated Report to the address you shared with us.
34.	Give us shareholders and proxies door gift for this year's AGM. Thank you very much.	After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.
35.	Do not engage expensive auditor.	We take note of your comment.
36.	Please send a printed Annual Report to my Puchong address. Thank you.	We take note and will send the printed copy of the Integrated Report to the address you shared with us. Thank you.

No	Question	Answer
37.	<p>Hi, good morning. Shareholders are expecting a door gift or e-voucher in this yearly virtual AGM.</p> <p>It is not a compulsion but do not be hawkish and vexed the support of the shareholders. Be grateful for their support and time. SOAR HIGHER than your peers. Thank you.</p>	<p>After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.</p>
38.	Thank you.	You are welcome.
39.	Any appreciation door gift in the form of e-wallet and voucher to shareholders and proxies for their years of continuous support?	<p>After careful consideration and in appreciation to shareholders for attending and participating in today's meeting, we will distribute cash voucher worth RM50 for dining at an F&B outlet at our Publika Shopping Gallery in Solaris Dutamas, called Feebay to all attendees. We will be sending this e-voucher to the email address you used to register for this meeting.</p>
40.	Good morning, Mr. Chairman.	Good morning to you too.
41.	Good morning, Mr. Chairman.	Good morning to you too.

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