

# Sunland Group

ESTABLISHED  
1983

22 June 2023

The Manager  
Company Announcements  
Australian Securities Exchange

## Group Strategy Update and Special Dividend 20cps

Sunland Group Limited (ASX:SDG) (**Sunland**) is pleased to announce this update about the strategy to return current net asset value to shareholders (**Strategy**)<sup>1</sup>, together with a fully franked special dividend of 20 cents per share payable 27 July 2023.

### Projects and inventory

The Sunland group of companies (**Group**) has now completed its remaining projects and sold all undeveloped inventory.

The following projects have recently been finalised and units/houses settled:

- The Lanes Residences West Village;
- 272 Hedges Avenue;
- Montaine Residences Project – only 10 (of the final stage of 30) houses are yet to settle, but are expected to settle through June 2023;

Sunland has some remaining assets, which are not material and are on the market for sale. Sunland expects those to be realised over the next few months.

Sunland now has no further or active projects or material business assets remaining and consequently project related site, construction and management positions have been made redundant. Sunland continues to ensure that all employees whose positions are made redundant receive their full legal entitlements in accordance with statutory obligations. Sunland continues to efficiently manage its other personnel and resources as the Strategy progresses, and to this end the remuneration arrangements of the Executive Chairman Soheil Abedian, and Managing Director Sahba Abedian, will be further reduced from 1 July 2023 to reflect a two day working week<sup>2</sup>

---

<sup>1</sup> As initially announced to the ASX on 20 October 2020 and further updated 31 September 2022

<sup>2</sup> Remuneration arrangements of these officers were reduced from 1 July 2022 to reflect a three day working week as announced 7 March 2022. For the purposes of ASX Listing Rule 3.16.4 and for all other purposes, Sunland confirms that there has been no other material variation in respect of those directors' terms of office.

# Sunland Group

ESTABLISHED

1983

## Ongoing Operating and Strategy costs

Sunland directors will manage capital requirements to satisfy remaining obligations including staff salaries, employee entitlements, necessary operating expenses, maintenance of completed projects, defects rectification as required by law, contingent liabilities, and costs that may crystallise as the Strategy is completed (**Operating and Strategy Costs**).

The timing and quantum of these costs is difficult to accurately forecast. In consultation with its advisors, Sunland has set aside sufficient funds to meet these Operating and Strategy Costs as statutory defect periods run off for projects completed by the Group.

The costs include contingent statutory liabilities for building defects in circumstances where defects liability periods do not expire for a number of years, and it is not presently known precisely what defects may arise or what the costs to rectify such defects will be if there is an obligation to rectify them. It is possible the full amount of funds set aside to meet these obligations are not fully utilised which may result in an additional dividend or capital distribution (or both).

A schedule summarising the number of projects that will have unexpired defects liability periods at the end of each financial year is as follows:

As at 30 June	No of projects where material defects liability periods have not expired
2024	20
2025	15
2026	10
2027	8
2028	5
Thereafter	3

The last defects liability period is not scheduled to expire until December 2029.

# Sunland Group

ESTABLISHED

1983

## Dividends and Capital Distribution Guidance

Directors reaffirm distribution guidance provided in Sunland's ASX release 30 September 2022 which estimated the remaining distribution of net assets to be \$1.21 per share, after setting aside sufficient capital to meet the Group's future obligations in respect to the Operating and Strategy Costs.

The current intention and guidance for future distributions will comprise:

- A dividend of 20 cents per share to be paid 27 July 2023 as announced today (with a record date of 5 July 2023);
- An additional proposed dividend estimated at 11 cents per share which directors anticipate being declared following the release of the Group's FY23 results in August (forecast to be paid in September 2023)
- Capital distributions of \$0.90 per share are proposed which requires shareholders' approval.

It is expected dividends will continue to be fully franked where franking credits are available.

If there is any material change to the distribution guidance, dividend or capital distribution guidance, or other matters contained in this announcement, Sunland will make the appropriate announcement in accordance with its continuous disclosure obligations.

This announcement has been authorised by the Board of Directors.



**Grant Harrison**  
**Company Secretary**

## Disclaimer - Future performance and forward looking statements.

This announcement contains certain forward looking statements with respect to the financial condition, results of operations, projects and business of Sunland and certain plans and objectives of Sunland. Forward looking statements can generally be identified by the use of forward looking words such as 'expect', 'anticipate', 'likely', 'intend', 'propose', 'should', 'could', 'may', 'will', 'predict', 'plan', 'believe', 'forecast', 'estimate', 'target', 'continue', 'objectives', 'outlook', 'guidance' and other similar expressions. The forward looking statements, opinions and estimates contained in this announcement are based on Sunland's intent, belief or current expectations, assumptions and contingencies which are subject to change without notice, as are any statements about market and industry trends, which are based on interpretations of current market conditions. They involve known and unknown risks and uncertainties and other

factors, many of which are beyond the control of Sunland and its officers, employees, agents and associates, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Any forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Readers are cautioned not to place undue reliance on forward-looking statements. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward looking statements contained in this announcement in light of those disclosures. Neither Sunland, nor any other person, gives any representation, warranty, assurance, nor will guarantee that the occurrence of the events expressed or implied in any forward looking statement will occur. To the maximum extent permitted by law, Sunland, other persons referred to in this announcement and each of their respective advisors, affiliates, related bodies corporate, directors, officers, partners, employees and agents disclaim any responsibility and undertake no obligation for the accuracy or completeness of any forward looking statements whether as a result of new information, future events or results or otherwise. The Company disclaims any responsibility to update or revise any forward looking statements to reflect any change in Sunland's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based except as required by Australian law.

[SUNLANDGROUP.COM.AU](http://SUNLANDGROUP.COM.AU)

SUNLAND GROUP LIMITED ABN 65 063 429 352

ROYAL PINES MARINA PRECINCT, ROSS STREET, BENOWA, QUEENSLAND 4217