

ANNUAL
GENERAL MEETING

OF SHAREHOLDERS 2023

Sunland Group

FY23 KEY RESULTS

- Statutory Net Profit After Tax of \$33.4 million (FY22: \$92.6 million)
- Earnings per share of 24.4 cents (FY22: 69.5 cents)¹
- Net tangible assets per share of \$1.19 (FY22: \$2.60)¹
- Directors declared a fully franked final dividend of 11 cents per share which was paid on 20 September 2023
- The total value of fully franked dividends attributed to the financial year is 141 cents per share (including the recently paid final dividend of 11 cents per share)
- Remaining projects located at 272 Hedges Avenue and Mount Annan have been completed and fully settled at year end, apart from 6 houses at Mount Annan which settled during July 2023
- The Group achieved a 28% development margin, exceeding the annual target of 20% return on costs
- Strong cashflow from property settlements totalling \$255.6 million (FY22: \$554.5 million)

Sunland has now completed the development of its projects and sold all undeveloped inventory. The Group has no further or active projects or material business assets.

1. BASED ON CONSOLIDATED ISSUED SHARES AS AT BALANCE DATE.

DISTRIBUTIONS TO SHAREHOLDERS

SINCE STRATEGY ANNOUNCED TO THE ASX 20TH OCTOBER 2020

DATE	CENTS PER SHARE	AMOUNT
DIVIDENDS PAID SINCE OCTOBER 2020		
18/03/2021	\$0.30	\$41,072,855
30/09/2021	\$0.20	\$27,381,903
13/01/2022	\$0.10	\$13,690,952
17/03/2022	\$0.12	\$16,429,142
28/07/2022	\$0.30	\$41,072,855
15/09/2022	\$0.15	\$20,536,427
07/12/2022	\$0.60	\$82,145,709
16/03/2023	\$0.40	\$54,763,806
27/07/2023	\$0.20	\$27,381,903
20/09/2023	\$0.11	\$15,060,047
	\$2.48	\$339,535,599
CAPITAL DISTRIBUTION TO BE PAID		
01/11/2023 (a)	\$0.90	\$123,218,564
TOTAL NET ASSETS RETURNED	\$3.48	\$462,754,163

(a) As per the NoM the capital distribution will occur on or about 1 November 2023, if approved by shareholders.

ORDINARY BUSINESS

MINUTES OF PREVIOUS ANNUAL GENERAL MEETING

FINANCIAL STATEMENTS AND REPORTS

REMUNERATION REPORT

RE-ELECTION OF DIRECTORS

CAPITAL REDUCTION

DELISTING

GENERAL BUSINESS

SHAREHOLDER QUESTIONS

Sunland Group has received certain questions regarding the Group Strategy which have been reproduced and answered here for convenience. The Notice of Meeting and Explanatory Statement (NoM) contain important information regarding the resolutions voted at today's Annual General Meeting. Shareholders are encouraged to read this information carefully and seek their own professional advice if required.

QUESTION: Has the Company set aside funds for future commitments?

ANSWER: Section 9.8 of the NoM sets out the financial effect of the Capital reduction on the Company. Table 2 included in that section shows the Company will have net assets of \$24.9 million after certain transactions are completed as included in the assumptions and after the payment of the Capital Return.

QUESTION: What are the net assets of \$24.9 million set aside for?

ANSWER: Section 9.6 of the NoM includes a commentary regarding the Company retaining capital to meet its obligations in relation to future Operating and Strategy Costs. This capital will be utilised as required until the unexpired defect liability periods lapse, which is not expected to occur until December 2029. The actual Operating and Strategy Costs that will be incurred are difficult to forecast and will not be known until Sunland has decided on how to implement the finalisation of the Strategy and once all obligations are fulfilled.

SHAREHOLDER QUESTIONS

QUESTION: Will there be further distributions in the future?

ANSWER: Section 9.6 of the NoM includes a commentary regarding the likelihood of further distributions. In the absence of alternative arrangements that will continue to be considered by Directors, the Strategy will continue to run its natural course until approximately December 2029. If an alternative arrangement or proposal that reduces the time frame to finalisation of the Strategy is pursued; or if there is surplus capital from the funds set aside to meet Operating and Strategy Costs, it is possible the funds set aside to meet these obligations are not fully utilised. This might result in an additional dividend or capital return or both to Shareholders. However Shareholders should be aware that, based on the information available to the Directors at this time, this is a possibility only, and should be aware that they might receive no further dividend or capital return.

QUESTION: Will the shares be cancelled after the Company is delisted?

ANSWER: Section 10.6 of the NoM includes a commentary on the effect of delisting the Company. No shares will be cancelled, and following delisting the Company will be an “unlisted disclosing entity” under the Corporations Act.

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