

MINUTES OF THE 22nd ANNUAL GENERAL MEETING OF SUNLAND GROUP LIMITED

HELD AT SOFITEL BRISBANE CENTRAL, TURBOT STREET, BRISBANE
THURSDAY 24TH NOVEMBER 2016 AT 10.30AM

PRESENT: Mr Soheil Abedian (Chairman)
Mr Sahba Abedian (Executive Director)
Mr Ron Eames (Non-Executive Director)
Mr Chris Freeman (Non-Executive Director)
Mr Craig Carracher (Non-Executive Director)
Mr Grant Harrison (Company Secretary)

IN ATTENDANCE: As per attendance register

CHAIR: **Slide 1**
Mr Soheil Abedian assumed the chair

QUORUM: The Chairman declared a quorum present and the meeting open.

Mr Soheil Abedian then introduced fellow Directors:

- Mr Ron Eames
- Mr Chris Freeman
- Mr Sahba Abedian
- Mr Craig Carracher

And Company Secretary Mr Grant Harrison

The Chairman tabled the Chairman's Report and took it as being read.

COMMENTARY

Slide 3

The Chairman noted the FY16 Key Results Highlights

- STATUTORY NET PROFIT AFTER TAX OF \$31.5 MILLION
- BASIC EARNINGS PER SHARE INCREASED BY 17% TO 19.7 CENTS
- TOTAL FULLY FRANKED DIVIDEND PAID FOR FY16 WAS 8 CENTS
- THE GROUP ACHIEVED 426 SALES AND 443 SETTLEMENTS
- GROUP NET TANGIBLE ASSETS PER SHARE HAS INCREASED FROM \$2.01 AT 30 JUNE 2015 TO \$2.22 30 JUNE 2016
- \$41 MILLION IN NEW SITE ACQUISITIONS WITH A FURTHER \$47 MILLION COMMITTED
- GEARING LEVELS - 33% DEBT TO ASSETS AND 56% DEBT TO EQUITY
- BALANCE SHEET CAPACITY WITH \$19.9 MILLION CASH AND \$97.4 MILLION IN UNDRAWN CREDIT FACILITIES.

Slides 4 to 6

The Chairman then noted the Group's FY 16 milestones, capital management and market overview

- THE GROUP'S SHARE BUY BACK PROGRAMS COMMENCED IN 2009. COMBINED, THEY HAVE REDUCED SHARES ON ISSUE BY APPROXIMATELY 50% AT AN AVERAGE PRICE OF 89 CENTS PER SHARE.
- THESE PROGRAMS HAVE DOUBLED EARNINGS PER SHARE PROFILE AND HAVE SIGNIFICANTLY ENHANCED THE NET TANGIBLE ASSET POSITION PER SHARE.
- THE GROUP'S SHARES ON ISSUE HAVE BEEN TRADING AT A DISCOUNT TO NTA, WHICH PROVIDED AN OPPORTUNITY FOR FURTHER STRATEGIC BUY BACK PROGRAMS.

- DURING THE YEAR CAPITAL WAS DEPLOYED FOR NEW ACQUISITIONS TOTALLING \$41 MILLION AND SUPPLEMENTED COMMITTED ACQUISITIONS TOTALING \$47 MILLION.
- DIVIDEND PAYMENTS FOR FINANCIAL YEAR 2016 OF 3 CENTS PER SHARE IN MARCH 2016 AND 5 CENTS PER SHARE IN SEPTEMBER 2016. DIVIDENDS WERE FULLY FRANKED.
- THE GROUP ACCESSED DEBT CAPITAL MARKETS WITH A \$50 MILLION NOTE ISSUE WHICH IN TURN EXPANDED OUR FUNDING OPTIONS.
- SOUTH EAST QUEENSLAND CONTINUES TO EXPERIENCE GROWTH AND WE SEE GOOD OPPORTUNITIES IN NICHESEGMENTS SUCH AS LUXURY HOUSING, MEDIUM DENSITY AND MASTER PLANNED COMMUNITIES.
- SECURING QUALITY DEVELOPMENT SITES IN THE KEY MARKETS OF SYDNEY, MELBOURNE AND BRISBANE REMAIN EXTREMELY COMPETITIVE.
- CONSUMER SENTIMENT IS DISJOINTED, REFLECTING THE DIFFERENT STAGES IN THE PROPERTY CYCLE THAT EACH CITY IS MOVING TOWARDS.
- ONGOING GEOPOLITICAL INSTABILITY WILL CONTINUE TO INFLUENCE ALL GLOBAL MARKETS.
- DURING THE PAST 12 MONTHS, BRISBANE'S MEDIAN HOUSE PRICE HAS GROWN 4%.
- AS AT 31 OCTOBER 2016, SYDNEY'S MEDIAN HOUSE PRICE WAS 75% HIGHER THAN SOUTH EAST QUEENSLAND.

**STATUTORY
REGISTERS:**

The Chairman tabled the Member's Minute Book and Register of Members and invited any person to inspect the registers.

PROXIES: The Chairman provided a summary of proxies received. The Chairman confirmed his voting in favour of resolutions for open proxies.

	For	Against	Open	Abstain
Resolution 2	92,257,527	11,553,523	103,379	13,808
Resolution 3	41,665,788	3,486,382	85,879	2,717,188

NOTICE OF MEETING: The Chairman proposed that as the Notice of Meeting was sent to all Shareholders and has been available on the ASX website from 24th October 2016 that the notice of meeting be taken as read.

MINUTES OF PREVIOUS ANNUAL GENERAL MEETING:

The Chairman proposed that as the minutes of the previous Annual General Meeting have been available at the registration desk to review prior to the meeting that the minutes of the previous Annual General Meeting be taken as read.

FINANCIAL STATEMENTS:

The Chairman proposed that as this item does not require a resolution, the Financial Statements of the Company and the consolidated accounts of the Economic Entity for the year ended 30 June 2016 and the Reports by the Directors and Auditors have been tabled and taken as read.

ELECTION OF DIRECTOR:

Mr Ron Eames offered himself for re-election

Proposed by the Chairman that in accordance with Article 6.1 (e) of the Company's Article of Association, Mr Ron Eames hereby be re-elected as a Director of the Company. The motion was carried.

REMUNERATION REPORT:

To consider and if thought fit, to pass the following advisory resolution as an ordinary resolution:

"That the remuneration report, as contained on pages 18-22 of the Financial Statements (in the Directors Report) be adopted."

The motion was carried.

OTHER BUSINESS: No further business was brought forward and the formal part of the AGM concluded.

GENERAL BUSINESS: The Chairman then handed over the balance of the presentation to Managing Director of the Group, Mr Sahba Abedian

Slide presentation as submitted to the ASX 24th November 2016

CLOSING

COMMENTS: There were no questions taken by Mr Sahba Abedian

CLOSURE: The meeting was closed at 11.15am

SIGNED AS A TRUE AND CORRECT RECORD

A handwritten signature in black ink, appearing to be 'Ahmed', written in a cursive style.

CHAIRMAN