

**MINUTES OF THE
20TH ANNUAL GENERAL MEETING OF
SUNLAND GROUP LIMITED**

HELD AT SOFITEL BRISBANE CENTRAL, TURBOT STREET, BRISBANE
THURSDAY 6TH NOVEMBER 2014 AT 10.30AM

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

IN ATTENDANCE: As per attendance register

APOLOGIES: None

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 Craig Carracher
- Mr Sahba Abedian

And company secretary Mr Grant Harrison

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

COMMENTARY **Slide 2**

The Chairman noted the FY14 Key Results Highlights

- STATUTORY NET PROFIT AFTER TAX OF \$14.3 MILLION
- BASIC EARNINGS PER SHARE OF 8 CENTS

- EPS GROWTH OF 11%
- TOTAL FULLY FRANKED DIVIDEND PAID FOR FY14 WAS 4 CENTS
- THE GROUP ACHIEVED 629 SALES AND 446 SETTLEMENTS
- GROUP NET TANGIBLE ASSETS PER SHARE OF \$1.96 INCREASING FROM \$1.87 AT 30 JUNE 2013 AND BY 64% FROM \$1.20 IN 2009
- \$82.1 MILLION IN NEW SITE ACQUISITIONS
- GEARING LEVELS - 18% DEBT TO ASSETS AND 24% DEBT TO EQUITY
- BALANCE SHEET CAPACITY WITH \$14.7 MILLION CASH AND \$112.8 MILLION IN UNDRAWN CREDIT LINES
- RECENTLY ANNOUNCED PROJECTS INCLUDE:

WARRIEWOOD, SYDNEY 80 LOTS FOR VALUE \$74.0 MILLION

LAKEVIEW, GOLD COAST 1425 LOTS FOR VALUE \$1 BILLION

Slide 3

The Chairman then noted the Group's capital management strategy

- THE GROUP RE-INSTATED THE DIVIDEND PAYMENT POLICY FOLLOWING THE COMPLETION OF THE SHARE BUY BACK PROGRAM
- A FINAL FULLY FRANKED DIVIDEND OF TWO CENTS PER SHARE WAS PAID ON 25TH SEPTEMBER 2014 BRINGING THE TOTAL 2014 FINANCIAL YEAR DIVIDEND TO 4 CENTS PER SHARE

- DIVIDEND PAYMENT RATIO OF 40 - 50% OF NET OPERATING EARNINGS
- THE GROUP IS WELL PLACED TO FUND STRATEGIC DEVELOPMENT ACTIVITIES AND REPLENISH ITS NATIONAL DEVELOPMENT PIPELINE
- GEARING REMAINS CONSERVATIVE AT 18% DEBT TO ASSETS WITH A DEBT MATURITY PROFILE OF 21 MONTHS
- ABIAN RESIDENTIAL TOWER WILL REQUIRE DEBT FACILITIES OF \$130 MILLION
- THE SHARE BUY BACK COMMENCED IN 2009 AND FORMALLY CONCLUDED IN JULY 2013. IN TOTAL THE BUY BACK PURCHASED 145.2 MILLION SHARES FOR \$118 MILLION REPRESENTING AN AVERAGE OF 81 CENTS PER SHARE. THE NUMBER OF SHARES ON ISSUE HAS CONTRACTED BY 45% FROM 323.6 MILLION TO 178.4 MILLION. THIS STRATEGY HAS SIGNIFICANTLY ENHANCED EARNINGS AND NTA PER SHARE FROM \$1.20 IN 2009 TO \$1.96 AS AT 30 JUNE 2014. THIS REPRESENTS A HISTORIC HIGH FOR SUNLAND'S NTA POSITION IN ALMOST TWO DECADES AS A LISTED COMPANY.

**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	115,342,936	183,396	383,002	56,354
Resolution 3	58,002,354	3,424,493	233,002	172,161
Resolution 4	89,149,065	25,679,549	234,647	697,427
Resolution 5	87,423,592	27,380,566	236,019	720,511

**NOTICE OF
MEETING:**

The Chairman proposed that the Notice of Meeting be taken as read.

It was seconded by Mr Shepherd and RESOLVED that the Notice of Meeting be taken as read.

**MINUTES OF PREVIOUS
ANNUAL GENERAL MEETING:**

The Chairman proposed that the minutes of the previous Annual General Meeting be taken as read. Seconded by Mr Finnochiaro and RESOLVED that the minutes of the previous Annual General Meeting be taken as read.

**FINANCIAL
STATEMENTS:**

The Chairman proposed that the financial statements be adopted. Seconded by Mr Arjaman and RESOLVED that the Financial Statements of the Company and the consolidated accounts of the Economic Entity for the year ended 30 June 2014 and the Reports by the Directors and Auditors thereon be adopted.

**ELECTION OF
DIRECTOR:**

Mr Craig Carracher offered himself for re-election

Proposed by the Chairman and seconded by Mr Arjaman and RESOLVED that in accordance with Article 6.1 (e) of the Company's Article of Association, Mr Craig Carracher hereby be re-elected as a Director of the Company.

**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 19-23 of the Financial Statements (in the Directors Report) be adopted.”

Proposed by the Chairman and seconded by Mr Finnochiaro

APPROVAL OF SHARE ISSUE IN RESPECT OF THE SUNLAND EMPLOYEE RETIREMENT FUND (SERF):

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

“That, for the purposes of ASX Listing Rule 7.1 and all other purposes, approval is given for the issue of up to 3,500,000 fully paid ordinary shares in Sunland Group Limited at an issue price that will be at least 80% of the volume weighted average market price of Sunland Group Limited shares as traded on the ASX for the 5 days up to the date of issue to SEIF Pty Ltd, on the terms set out in the Explanatory Memorandum which forms part of the Notice of Meeting.”

Proposed by the Chairman and seconded by Mr Shepherd

**APPROVAL OF POTENTIAL TERMINATION
BENEFITS TO RELEVANT EXECUTIVES UNDER THE SERF:**

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

“That approval be given for all purposes, including sections 200B and 200E of the Corporations Act 2001 (Cth), for the giving of all benefits under the Sunland Employee Retirement Fund to current and/or future key management personnel of the Company or persons who hold a managerial or executive office in the Company or a related body corporate (together, “Relevant Executives”), in connection with the person ceasing to hold an office or position of employment in the Company or a related body corporate, as set out in the Explanatory Memorandum which forms part of the Notice of Meeting.”

Proposed by the Chairman and seconded by Mr Shepherd.

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 6th November 2014

**CLOSING
COMMENTS:** Questions from Shareholders were taken by Mr Sahba Abedian

CLOSURE: The meeting was closed at 11.30am

SIGNED AS A TRUE AND CORRECT RECORD

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

CHAIRMAN