



MINORITY SHAREHOLDERS WATCH GROUP
Shareholder Activism and Protection of Minority Interest

7 November 2019

BY FAX/HAND

(Fax No: 6 (03) 7623 2100)

The Board of Directors
Sime Darby Berhad
Level 9, Menara Sime Darby
Oasis Corporate Park
Jalan PJU 1A/2, Ara Damansara
47301 Petaling Jaya
Selangor Darul Ehsan

Attention: Noor Zita Hassan
Company Secretary

Dear Directors,

Re: 13th Annual General Meeting (AGM) of Sime Darby Berhad ("SIME DARBY) to be held on Thursday, 14 November 2019

In the interest of minority shareholders and all other stakeholders of the Company, we would like to raise the following questions: -

Strategy & Financial Matters

1) On Page 12 of the Annual Report (MD&A), it is stated that for its Industrial Division, efforts are anticipated to make an impression in an industry that is seeing autonomous mining trucks with shortened cycle times, lower fuel consumption and improved tire wear, and uses Artificial Intelligence (AI) for services such as predictive maintenance of equipment to reduce down time and gain traction.

Please elaborate on the plans undertaken to counter the expected industry changes, including the introduction of autonomous mining trucks and the use of AI for services?

2) In relation to the Group's Healthcare Division,

(a) What is the Group's progress on the introduction/development of AI, Internet of Things (IoT) and Virtual Reality along with the emergence of 5G?

(b) What is the current average occupancy of your hospitals?

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

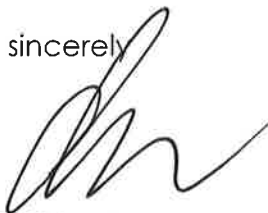
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- (c) What are the plans to have more hospitals in the near future and what would be the expected increase in capacity?
- (d) What is the Group's share from medical tourism and what measures have been taken to capture the growing medical tourism market?
- 3) As stated on Page 16 (MD&A), under the strategy overview (revenue enhancement), one of the initiatives is to have growth in after-sales, parts and services for the automotive and industrial sectors, and used cars sales.
- Could the Board brief on the progress made in each of the areas in FY2019 vis-a-vis FY2018?
- 4) As reported on Page 31 (Group CEO's Review), the Group's results for FY2019 were largely driven by the performance of Australia and China Industrial operations. The Motors division also posted a strong set of results, despite industry-wide challenges.
- What is the outlook in FY2020? Is the Motors division strong set of results expected to sustain in FY2020?
- 5) The Company still has a 11% equity stake in Eastern & Oriental Berhad.
- Please explain the reasons for the Group to still hold 11% equity stake in Eastern & Oriental Berhad considering that the company has not been performing well and that for FY2019, there was a share of loss (inclusive of impairment) of the Group's investment in Eastern & Oriental Berhad of RM117 million.

Please present the questions raised herein, and the related answers, to the shareholders present at the forthcoming AGM. At the same time, we await a written reply as soon as possible for our records.

Thank you.

Yours sincerely



Devanesan Evanson
Chief Executive Officer
DE/CCF/SIMEDARBY/AGM 2019