

AmFIRST Real Estate Investment Trust

[Established in Malaysia under the Trust Deed dated 28 September 2006 (as amended by the First Supplemented, Revised and Restated Trust Deed dated 15 December 2006, the Second Restated Deed dated 13 September 2013 ("Second Deed") and the Third Restated Deed dated 12 June 2020 ("Third Deed")) entered into between AmREIT Managers Sdn. Bhd. and Maybank Trustees Berhad, companies incorporated under the Companies Act, 1965 repealed and replaced with Companies Act, 2016 with effect from 31 January 2017]

MINUTES OF THE TWELFTH ANNUAL GENERAL MEETING OF
THE UNITHOLDERS OF AMFIRST REAL ESTATE INVESTMENT TRUST
CONDUCTED VIRTUALLY THROUGH LIVE STREAMING MEETING PLATFORM
AT <https://meeting.boardroomlimited.my>
(Domain Registration No. with MYNIC - D6A357657)
AT THE BROADCAST VENUE AT 12TH FLOOR, MENARA SYMPHONY, NO. 5
JALAN PROF. KHOO KAY KIM, SEKSYEN 13
46200 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA
ON FRIDAY, 23 AUGUST 2024 AT 10:00 A.M.

Board of Directors of AmREIT Managers Sdn. Bhd. at broadcast venue : Mr Soo Kim Wai (Chairman of the Meeting)
Y.Bhg. Dato' Wong Nam Loong
Y.Bhg. Dato' Abdullah Thalith Bin Md Thani
Madam Jas Bir Kaur A/P Lol Singh (*attendance via tele-conference*)
Encik Azlan Baqee Bin Abdullah
Mr Christopher Yap Huey Wen

In Attendance : Ms Ruzeti Emar Binti Mohd Rosli
(Secretary of the Meeting)

By Invitation:
Senior Management Team : Mr Chong Hong Chuon
(Chief Executive Officer)

Encik Zuhairy Bin Md Isa
(Deputy Chief Executive Officer)
(*attendance via tele-conference*)

Mr Jayasuraes Naidu A/L Subramaniam
(Head, Compliance & Risk)
(*attendance via tele-conference*)

Encik Mohammad Ashraf Bin Shamshiri
(Head, Operations)
(*attendance via tele-conference*)

Encik Abdul Rahman Bin Mohd Joned
(Head, Finance)
(*attendance via tele-conference*)

Mr Chee Kok Leong
(Head, Marketing & Leasing)
(*attendance via tele-conference*)

ITEM	MINUTES	ACTION
Trustee	: Puan Norhazliana Binti Mohammed Hashim (Head, Unit Trust and Corporate Operations of Maybank Trustees Berhad)	
Independent Moderator	: Ms Cheryl Leong Lai Lween (KPMG Management & Risk Consulting Sdn. Bhd.)	
Poll Administrator	: Encik Khairul Iqram Bin Zainal Abidin (Boardroom Share Registrars Sdn. Bhd.)	
External Auditors	: Ms Ng Sue Ean (Engagement Partner, Ernst & Young PLT)	

ITEM	MINUTES	ACTION
11/1	CHAIRMAN'S WELCOMING ADDRESS	
1.1	Mr Soo Kim Wai (the " Chairman ") welcomed all Unitholders to the Twelfth Annual General Meeting (" 12th AGM ") of AmFIRST Real Estate Investment Trust (" AmFIRST REIT ") which was held in compliance with Clause (g)(ii) of Schedule 1 of the Third Restated Deed.	
1.2	The Chairman informed that the AGM was conducted virtually through live online streaming meeting platform provided by Boardroom Share Registrars Sdn Bhd at the Broadcast Venue at 12 th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan in Malaysia in accordance with the Companies Act 2016 and he will be chairing the 12th AGM in accordance with the Third Restated Deed.	
1.3	The Chairman then introduced the Board of Directors, Senior Management and other attendees that were present at the 12th AGM of AmFIRST REIT.	
11/2	UNITHOLDERS AND PROXIES	
	A total of 79 Unitholders, Proxies and Corporate Representatives representing a total of 2,308,623 Units in AmFIRST REIT, registered for the 12th AGM via the LUMI AGM Facilities, as confirmed by AmFIRST REIT's Share Registrar, Boardroom Share Registrars Sdn. Bhd.	
11/3	CHAIRMAN AS APPOINTED PROXIES	
3.1	The Company Secretary, Ms Ruzeti Emar Binti Mohd Rosli, informed that a total of 32 Unitholders, Proxies and Corporate Representative holding a total of 270,243,189 units in AmFIRST REIT had appointed the Chairman of the Meeting as their proxy to vote on their behalf at the 12th AGM.	
3.2	The Chairman encouraged the Unitholders that had logged-in to participate in the 12th AGM to submit their questions in real time via the messaging icon.	
11/4	QUORUM	
4.1	The Chairman invited the Company Secretary to confirm the quorum for the 12th AGM.	

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4.2	The Company Secretary confirmed that a quorum was present pursuant to Paragraph (f) of Schedule 1 of the Third Restated Deed, and a total 79 Unitholders, Proxies and Corporate Representatives had logged into the meeting platform via LUMI AGM Facilities.	
4.3	The Chairman then took the Chair and called the Meeting to order.	
11/5	<p>NOTICE OF MEETING</p> <p>With the permission of the Meeting, the Chairman informed that the Notice convening the Meeting was taken as read by the Unitholders, Proxies and Corporate Representatives present.</p>	
11/6	<p>POLL ADMINISTRATOR AND INDEPENDENT MODERATOR</p> <p>The Chairman informed that Boardroom Share Registrars Sdn. Bhd. has been appointed as Poll Administrator and KPMG Management & Risk Consulting Sdn. Bhd. ("KPMG") as Independent Moderator for this virtual 12th AGM.</p>	
11/7	<p>PRESENTATION ON THE FINANCIAL PERFORMANCE AND OPERATION REVIEW</p> <p>7.1 Prior to proceeding with the Ordinary Business of the agenda of the Meeting being to receive the Audited Financial Statements for the financial year ended 31 March 2024 of AmFIRST REIT together with the Reports of the Trustee and Auditors thereon, the Chairman invited Mr Chong Hong Chuon, the Chief Executive Officer of AmREIT Managers Sdn Bhd ("the Manager of AmFIRST REIT") to present AmFIRST REIT's financial performance for the financial year ended 31 March 2024 and the updates on the operations as well as moving forward strategies and action plan.</p> <p>7.2 The CEO gave his welcoming speech to those present at the Meeting and the following salient points on AmFIRST REIT's operations and financial performance: -</p> <ol style="list-style-type: none"> 1) <u>Statement of Comprehensive Income for the financial year ended 31 March 2024</u> <ul style="list-style-type: none"> • <u>Gross Revenue</u> Gross revenue from the existing eight properties has improved from RM97.8 mil to RM98.4 mil mainly due to higher average occupancy and carpark income. 	

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	<ul style="list-style-type: none"> • Property expenses increased by RM1.4 million to RM44.2 million in FY2024 mainly due to higher electricity charges resulting from higher ICPT surcharge. • Interest expense also increased by RM2.9 million to RM34.1 million due to higher interest rate as a result to the increase in OPR in FY2024. • Consequently, the total net realised income generated for FY2024 was lower at RM12.4 million, compared to RM17.5 million for FY2023 due to the escalation of energy costs as a result of the increase in ICPT effective from January 2023 and higher interest cost resulting from the 1.25% hike in Overnight Policy Rate since May 2022. However, taking into account the revaluation gains of RM9.6 mil, the net profit after taxation for the current financial year is RM25.6 million, which is higher compared to RM14.2 mil in previous year. • Total DPU of 2.00 sen was declared in FY2024. 	
	<p>2) <u>Statement of Financial Position as at 31 March 2024</u></p> <ul style="list-style-type: none"> • The Trust's asset profile comprises eight (8) properties with total net lettable area of 3.0 million sq. ft. with latest valuation of RM1.56 billion. • Investment properties increased by 0.9% to RM1.558 billion resulting from the revaluation gain registered from the valuation of the asset portfolio. • There were no new acquisition or disposal of investment properties in FY2024. • In terms of diversification of asset portfolio, 65% of the asset value is derived from the 6 commercial offices, 11% from The Summit Retail Mall, 18% from Mydin HyperMall and the remaining 6% from The Summit Hotel. • Gearing reduced slightly to 47.2% as at 31 March 2024 as a result of the increase in the valuation of the existing properties. • Net Asset Value was RM814.2 million equivalent to RM1.174 per unit. 	

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3) <u>Capital and Interest Rate Management</u>	<ul style="list-style-type: none">• With the current gearing level of 47.2%, the Trust has debt headroom of RM89.0 million, based on 50% threshold set by the Securities Commission Malaysia.• The total borrowings of RM757.3 million comprises of term loan and revolving credit facilities which are at short-term variable interest rates.• The weighted average maturity of the borrowings increased by 1.9 years due to the extension of tenure for term loan and revolving credit facilities of RM391.0 million.• The Trust also has RM150 million of 5-year interest rate swap contract, which hedge about 20% of the floating rate borrowings.• The weighted average interest has increased from 4.22% to 4.38% after factored-in total OPR hike of 25bps during FY2024.	
4) <u>Leasing Management</u>	<ul style="list-style-type: none">• Overall portfolio occupancy has further improved from 82.6% to 84.7% as at 31 March 2024. Nevertheless, there are few properties with occupancy remained below 80% such as Menara AmBank, Summit Office and Prima 9. The Manager is focusing to fill-up these vacant floors by stepping-up the engagement activities with real estate agencies and offering competitive and flexible tenancy terms to attract new prospect tenants, coupled with setting up co-working space as a strategy to improve the occupancy by tapping into the growing demand of the fitted and flexible tenancy of the co-working space.• The Trust secured approximately 100,000 square feet of new tenancies mainly in The Summit Retail, Jaya 99 and Prima 9..• The Trust achieved tenants' retention of 91.9% in FY2024 with positive rental reversion of 5.2%.• 74.3% of annual rental income in FY2024 was contributed by top 10 tenants, of which 38% was by AmBank Group.• Approximately 37.1% or 955,077 square feet of leased area will be expiring by FY2025.	

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	<ul style="list-style-type: none"> The single tenanted building, Mydin Hypermall accounted for 20.9% of the total leased area, and Mydin's tenancy is a fixed long-term lease that would only expires in <u>2046</u>. 	
	<p>5) <u>ESG Highlights</u></p> <ul style="list-style-type: none"> AmFIRST REIT continues to implement carbon reduction initiatives in FY2024 <u>to enhance our energy efficiency to optimize the energy costs</u> and have achieved continuous reduction in terms of energy usage. During FY2024, the Trust <u>received energy management certification and rating from government agency and relevant authority as a recognition to its commitment in transition the Trust's asset to a greener building</u> <u>On corporate governance, no breaches and no non-compliances. Indeed, we conduct our business with integrity and always promote good governance practices to ensure accountability and for long term sustainability of our business.</u> 	
	<p>6) <u>Economic Review and Outlook</u></p> <ul style="list-style-type: none"> In 2023, GDP normalised at 3.7% supported by resilient domestic demand, recovery in tourism and improved labour market condition. GDP is expected to grow between 4% to 5% underpinned by continued expansion in domestic expenditure and improvement in external demand. Unemployment rate declined from 3.8% to 3.4% and is forecasted to moderate to 3.3%. Inflation was recorded at 1.8% in 2023 and expected to trend higher between 2.0% to 3.5% in 2024 considering factors such as fuel subsidies and moderating food prices. OPR increased to 3.0% in May 2023 and expected to remain at 3.0% throughout 2025. 	
	<p>7) <u>Market Outlook for Kuala Lumpur Office</u></p> <ul style="list-style-type: none"> Overall occupancy in KL City has declined slightly following influx in new completions in 2023. 	

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	<ul style="list-style-type: none"> • However, average rental rate remains stable supported by positive absorption in 2023. • It was expected that office market will remain challenging for the coming year due to imbalance supply and demand. Nonetheless, with the improving economy condition and business environment, the market has shown positive sign in increase in demand for quality offices. 	
	<p>8) <u>Market Outlook for Selangor Retail</u></p> <ul style="list-style-type: none"> • Retail sector is expected to sustain on the back of steady domestic demand and rising tourism activities, but the increase cost of living and rising prices due to government subsidies rationalization may put pressure on consumer spending. 	
	<p>9) <u>Moving Forward</u></p> <ul style="list-style-type: none"> • Moving forward, the Manager will focus on executing the strategies set to improve income distribution through enhancing the yield of the asset portfolio and growth via asset portfolio rationalisation and diversification. • To improve the yield of the underlying asset, the Manager target to fill up the vacancy in certain low occupancy buildings, through various aggressive leasing efforts and leasing incentives. • To manage the cost, the cost-discipline strategies will be implemented to further optimize operation cost, together with putting up more effort on the sustainability initiatives. • The Manager also planning to implement selective accretive asset enhancement initiatives that expected to enhance the yield and the value of the properties. 	
7.3	<p>The Chairman informed that the platform to pose questions via Boardroom Smart Investor Portal had been opened since 27 June 2024 until 21 August 2023 at 10.00 a.m. and the platform to submit question in real time have been opened since 9:00 a.m. this morning. The Trust has received questions prior to the 12th AGM (“Pre-AGM Questions”) and questions posed through the messaging window in today’s AGM.</p>	

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7.4	For the benefit of the Unitholders, Proxies and Corporate Representatives, the Chairman informed that KPMG has been appointed as the Independent Moderator and that they will act independently and objectively to oversee the collation of questions submitted by the Unitholders, Proxies and Corporate Representatives to ensure that these questions are responded to accordingly.	
7.5	The Chairman highlighted that for multiple and repetitive questions, the Independent Moderator shall summarise it collectively. He reminded the Unitholders, Proxies and Corporate Representatives that they may continue to pose questions until an announcement is made that the messaging window is closed.	
7.6	The Independent Moderator then proceeded to read out questions received prior to the 12th AGM including questions raised during the Meeting that were displayed on the screen to all the Unitholders and were duly addressed with responses by the Chairman and CEO as set out in “ Appendix I ” enclosed together with the Minutes.	
7.7	On the conclusion of the Questions and Answers session, it was concluded that all pertinent questions had been responded and the Chairman proceeded to thank the Unitholders, Proxies and Corporate Representatives for their questions and comments. He informed that the LUMI chat messaging platform for submission of question has been closed. He then continued with the main agenda of the Meeting.	
11/8	AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 AND REPORTS OF THE TRUSTEE AND AUDITORS THEREON	
8.1	The Audited Financial Statements for the financial year ended 31 March 2024 together with the Reports of the Trustee and Auditors (the “Reports”) attached thereon were tabled and laid before the Meeting.	
8.2	The Chairman informed that the Reports does not require a formal approval from the Unitholders. He further explained, the Reports were only tabled for discussion and will not be put forth for voting.	
8.2	Accordingly, the Chairman informed the Meeting and declared that the Audited Financial Statements for the financial year ended 31 March 2024 of AmFIRST REIT together with the Reports of the Trustee and Auditors thereon, be received and adopted.	

ITEM	MINUTES	ACTION
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11/9 **CLOSURE**

As there was no other business, the Chairman thanked all Unitholders, Proxies and Corporate Representatives for their participation in AmFIRST REIT's 12th AGM and declared that the 12th AGM was concluded at 10:56 a.m.

SIGNED AS A CORRECT RECORD OF THE PROCEEDINGS THEREAT

CHAIRMAN

DATE: