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If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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AMANAHRAYA ■ REIT

AMANAHRAYA REAL ESTATE INVESTMENT TRUST

(Established in Malaysia under the Trust Deed dated 10 October 2006, the Supplemental Deed dated 4 January 2007, the Supplemental Deed dated 27 August 2009, the Supplementary Deed dated 13 May 2019 and the Amended and Restated Deed dated 5 December 2019 between AmanahRaya-Kenedix REIT Manager Sdn Bhd and Pacific Trustees Berhad, both of which are companies incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

CIRCULAR TO UNITHOLDERS IN RELATION TO THE PROPOSED AMENDMENTS TO THE AMENDED AND RESTATED DEED

The 12th Annual General Meeting ("**AGM**") of AmanahRaya Real Estate Investment Trust ("**ARREIT**") will be conducted virtually through live streaming and online remote voting from the Broadcast Venue at First Floor, Wisma AmanahRaya, No. 2, Jalan Ampang, 50508 Kuala Lumpur and via the Remote Participation and Voting Platform at <https://meeting.boardroomlimited.my> on Thursday, 18 April 2024 at 10.00 a.m. The Notice of AGM together with the Proxy Form and the Administrative Guide are enclosed in the Annual Report 2023.

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be present at the main venue of the AGM. NO UNITHOLDERS / PROXIES / CORPORATE REPRESENTATIVES from the public shall be physically present at the Broadcast Venue on the day of the AGM.

The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarial certified copy of such power or authority shall be deposited at the office of AmanahRaya-Kenedix REIT Manager Sdn Bhd at Level 46, Vista Tower, The Intermark, 348 Jalan Tun Razak, 50400 Kuala Lumpur, no later than 16 April 2024 at 10.00 a.m., being 48 hours before the time appointed for holding the meeting or any adjournment thereof.

| | |
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| Last date and time for lodging of the Form of Proxy | : Tuesday, 16 April 2024 at 10.00 a.m. |
| Date and time of the 12 th AGM | : Thursday, 18 April 2024 at 10.00 a.m. |

This Circular is dated 22 March 2024

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

| | | |
|--|---|---|
| AGM | : | Annual General Meeting |
| AKRM or Manager | : | AmanahRaya-Kenedix REIT Manager Sdn Bhd (Registration No. 200901013113 (856167-A)), the management company of ARREIT |
| Amended and Restated Deed | : | The Amended and Restated Deed dated 5 December 2019 between AKRM and the Trustee |
| AmanahRaya REIT or ARREIT | : | AmanahRaya Real Estate Investment Trust, a real estate investment trust established in Malaysia and constituted under the Amended Restated Deed |
| Board | : | Board of Directors of AKRM |
| Bursa Securities | : | Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W)) |
| Listing Requirements | : | The Main Market Listing Requirements of Bursa Securities, which may be modified, amended, supplemented, revised or replaced from time to time |
| LPD | : | 27 February 2024, being the latest practicable date prior to the printing of this Circular |
| Proposed Amendments | : | Collectively, the Proposed Establishment of Acquisition, Divestment and Performance Fees of AKRM and the Proposed Amendments for Streamlining |
| Proposed Amendments for Streamlining | : | Proposed amendments to the existing provisions on annual report and quarterly reports in the Amended and Restated Deed to align the Amended and Restated Deed with the latest regulatory requirements imposed by the regulatory authorities |
| Proposed Acquisition Fee | : | Proposed acquisition fee of up to 1.0% of the acquisition price of the assets to be acquired or purchased by the Trustee for ARREIT |
| Proposed Divestment Fee | : | Proposed divestment fee of up to 0.5% of the sale price of the assets to be disposed by the Trustee for ARREIT |
| Proposed Establishment of the Acquisition, Divestment and Performance Fees of AKRM | : | Proposed establishment of the Proposed Acquisition Fee, Proposed Divestment Fee and Proposed Performance Fee, respectively, to be paid to AKRM |
| Proposed Performance Fee | : | Proposed performance fee of up to 3.0% of the net property income before deduction of property management fee, excluding the Triple Net Lease |
| REITs | : | Real estate investment trusts |
| SC | : | Securities Commission Malaysia |

| | | |
|--------------------------|---|---|
| Supplementary Trust Deed | : | Supplementary Trust Deed to be entered into between AKRM and the Trustee for the purpose of amending the Amended and Restated Deed |
| Triple Net Lease | : | A lease agreement on a property whereby the tenant or lessee promises and obliges to pay rental and to pay all the expenses of the property including utilities, statutory payments of real estate taxes (quit rent and assessment), building insurance, repair and maintenance |
| Trustee | : | Pacific Trustees Berhad (Registration No. 199401031319 (317001-A)), being the Trustee of ARREIT |
| Unitholders | : | Holder(s) of the units in ARREIT |

Any reference to "you" or "your" in this Circular are to the Unitholders.

Unless specifically referred to, words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. Reference to persons shall include corporations, unless otherwise specified.

Any reference to any act, law, ordinance, enactment or guideline in this Circular is a reference to that act, law, ordinance, enactment or guideline as amended or re-enacted from time to time.

Any reference to a time of day and date in this Circular is a reference to Malaysian time and date, unless otherwise stated.

This Circular includes forward-looking statements which are subject to uncertainties and contingencies. All statements other than statements of historical facts included in this Circular including, without limitation, those regarding ARREIT's financial position, business strategies, prospects, plans and objectives of ARREIT for future operations are forward-looking statements. There can be no assurance that such forward-looking statements will materialise, be fulfilled or achieved.

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EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposed Amendments in this Circular. You are advised to read and carefully consider the contents of this Circular in its entirety for further details and not to rely solely on this Executive Summary in forming a decision on the Proposed Amendments before voting at our forthcoming AGM.

| Salient Information | Description | Reference to Circular |
|------------------------------------|--|----------------------------|
| Details of the Proposed Amendments | <p><u>Proposed Establishment of the Acquisition, Divestment and Performance Fees of AKRM</u></p> <p>The Manager proposes to establish the acquisition, divestment and performance fees for ARREIT to be paid to AKRM, whereby a new Clause 19.1A will be inserted into the Amended and Restated Deed.</p> <p>The new Clause 19.1A shall read as follows:</p> <p><i>“The Manager shall also be entitled to receive:</i></p> <ul style="list-style-type: none"><i>(a) an acquisition fee of up to 1.0% of the acquisition price of the assets to be acquired or purchased by the Trustee for AmanahRaya REIT;</i><i>(b) a divestment fee of up to 0.5% of the sale price of the assets to be disposed by the Trustee for AmanahRaya REIT; and</i><i>(c) a performance fee of up to 3.0% of the net property income before deduction of property management fee, excluding the Triple Net Lease (as defined below).</i> <p><i>For the purpose of Clause 19.1A(c) above, “Triple Net Lease” means a lease agreement on a property whereby the tenant or lessee promises and obliges to pay rental and to pay all the expenses of the property including utilities, statutory payments of real estate taxes (quit rent and assessment), building insurance, repair and maintenance.”</i></p> <p><u>Proposed Amendments for Streamlining</u></p> <p>AKRM proposes to amend and vary the existing provisions on annual report and quarterly reports as set out in Clauses 23.1(b) and 23.3 of the Amended and Restated Deed by way of the Supplementary Trust Deed, to align the Amended and Restated Deed with the latest regulatory requirements on the periodic reporting framework for listed REITs imposed by the regulators.</p> <p>The amended Clauses 23.1(b) and 23.3 of the Amended and Restated Deed, with the proposed amendments being tracked on the same for ease of reference, is set out below:</p> | Section 2 of this Circular |

Description

| Existing Provision | Proposed Amendment |
|---|--|
| <p>“23.1 Annual Reports</p> <p>(b) Within two (2) months of each Financial Year end, the Manager must issue the annual report (signed by at least one of the directors of Manager) of the AmanahRaya REIT to the SC and Bursa Securities and send a copy of the same by post to each Unitholder (without charge). Upon request from any Unitholder, additional copies of the annual report of the AmanahRaya REIT shall be sent by the Manager to the Unitholder within two (2) months after the request is received by the Manager and upon payment of a reasonable sum as may be determined by the Manager and the Trustee.”</p> | <p>“23.1 Annual Reports</p> <p>(b) Within two (2) <u>four (4)</u> months <u>after the end of the of each</u> Financial Year of AmanahRaya REIT and, the Manager must issue the annual report (signed by at least one of the directors of <u>the</u> Manager) of the AmanahRaya REIT to the SC and Bursa Securities and send a copy of the same by post <u>or via electronic transmission</u> to each Unitholder (without charge). Upon request from any Unitholder, additional copies of the annual report of the AmanahRaya REIT shall be sent by the Manager to the Unitholder within two (2) months after the request is received by the Manager and upon payment of a reasonable sum as may be determined by the Manager and the Trustee.” (Emphasis added)</p> |
| <p>“23.3 Quarterly reports to Bursa Securities</p> <p>The Manager must give Bursa Securities financial reports which are prepared (for each of the first three quarters of the Financial Year) no later than two (2) months after the end of the quarter in a Financial Year (or at such other intervals as Bursa Securities may require), which quarterly report must contain all information as required under the Listing Requirements.”</p> | <p>“23.3 Quarterly reports to Bursa Securities</p> <p>The Manager must give Bursa Securities <u>interim</u> financial reports which are prepared (for each of the first three quarters of the Financial Year) <u>on a quarterly basis</u> no later than two (2) months after the end of <u>each</u> quarter in a Financial Year (or at such other intervals as Bursa Securities may require), which quarterly report must contain all information as required under the Listing Requirements.” (Emphasis added)</p> |

| Salient Information | Description | Reference to Circular |
|---------------------------------------|---|----------------------------|
| Rationale for the Proposed Amendments | <p data-bbox="496 237 1134 300"><u>Proposed Establishment of the Acquisition, Divestment and Performance Fees of AKRM</u></p> <p data-bbox="496 333 1134 423">The Proposed Establishment of the Acquisition, Divestment and Performance Fees of AKRM was proposed after taking into consideration the following:</p> <ul style="list-style-type: none"> <li data-bbox="496 456 1134 669">(i) the Manager plays a vital role in ensuring any acquisition and divestment exercises are undertaken in accordance with the sustainable financial modeling, established guidelines and on a market driven basis. Hence, AKRM employs the right and competent resources to meet the set baseline and targets; <li data-bbox="496 703 1134 949">(ii) investment decisions require a stringent and prudent processes in finding the right assets, which involves amongst others, negotiation, robust analysis, presentation to the Board and the Trustee, appointment of solicitors, conducting various due diligence exercises such as valuation, financial, legal, building and structure, mechanical and electrical; <li data-bbox="496 983 1134 1095">(iii) to cater to the potential increase in the current and future operational cost, which includes amongst others, implementation of ARREIT's strategic direction and compliance costs; and <li data-bbox="496 1128 1134 1308">(iv) to position AKRM on the same level with the other players in the REIT industry and that the Proposed Acquisition Fee, the Proposed Divestment Fee and the Proposed Performance Fee are within the range of the fees charged by managers of other REITs. | Section 3 of this Circular |
| | <p data-bbox="496 1341 1134 1498">The Proposed Establishment of the Acquisition, Divestment and Performance Fees of AKRM will also further incentivise AKRM to further grow ARREIT for the benefit of the Unitholders, which will then allow ARREIT to be managed more effectively.</p> <p data-bbox="496 1532 1011 1565"><u>Proposed Amendments for Streamlining</u></p> <p data-bbox="496 1599 1134 1845">Pursuant to section 9 of the Capital Markets and Services Act 2007 ("CMSA"), Bursa Securities has made consequential amendments to the periodic reporting framework for listed REITs under the Listing Requirements in accordance with the Capital Markets and Services (Prescription for Non-application) (Real Estate Investment Trusts) Order 2024 ("CMSA Order 2024").</p> <p data-bbox="496 1879 1134 2018">With the coming into force of the CMSA Order 2024 on 26 February 2024, the mandated two (2)-month timeframe to lodge the annual report of the listed REIT with the SC and disseminate the same to the unitholders cease to be in effect.</p> | |

| Salient Information | Description | Reference to Circular |
|---|---|----------------------------|
| | <p>The CMSA Order 2024 prescribes a longer timeframe of four (4) months after the end of the listed REIT's financial year, for the management company to lodge the annual report with the SC and issue the same to the unitholders.</p> <p>The Proposed Amendments for Streamlining are deemed necessary for the purpose of enhancing the provisions under the Amended and Restated Deed and to comply with amongst others, the CMSA and the Listing Requirements, including administrative and/or technical amendments, which aims to provide better clarity to certain provisions in the Amended and Restated Deed. Subsequently, this will allow AKRM and the Trustee to perform their duties effectively and result in an increasingly expeditious decision-making process.</p> | |
| Approvals Required | <p>The Proposed Amendments are subject to approval being obtained from the Unitholders of ARREIT comprising not less than two-thirds (2/3) of all Unitholders present and voting at a unitholders' meeting to be convened. Upon obtaining the approval of the Unitholders of ARREIT for the Proposed Amendments, AKRM and the Trustee will enter into the Supplementary Trust Deed. Thereafter, the Supplementary Trust Deed will be registered and lodged with the SC. The Supplementary Trust Deed will be effective upon its registration with the SC.</p> | Section 5 of this Circular |
| Interests of AKRM, Trustee, and Directors, Major Shareholders and Chief Executive of AKRM, Major Unitholders and/or Persons Connected with Them | <p>Save and except for the following:</p> <ul style="list-style-type: none"> (i) Amanah Raya Berhad, being a substantial Unitholder of ARREIT has interest in the Proposed Amendments by virtue of its position as the majority shareholder of AKRM; (ii) KDA Capital Malaysia Sdn Bhd, being a substantial Unitholder of ARREIT has interest in the Proposed Amendments by virtue of its position as a direct shareholder of AKRM; and (iii) AKRM, being the management company of ARREIT has interest in the Proposed Amendments, being entitled to impose the Proposed Acquisition Fee, the Proposed Divestment Fee and the Proposed Performance Fee, <p>none of AKRM, Trustee, and Directors, major shareholders and chief executive of AKRM, major unitholders of ARREIT and/or persons connected with any of them have any interest, direct or indirect, in the Proposed Amendments.</p> | Section 6 of this Circular |

| Salient Information | Description | Reference to Circular |
|--|--|----------------------------|
| | Accordingly, the abovementioned parties will abstain and have undertaken to ensure that persons connected to them will abstain from voting in respect of their direct and/or indirect unitholdings on the special resolutions pertaining to the Proposed Establishment of the Acquisition, Divestment and Performance Fees of AKRM and the Proposed Amendments, to be tabled at the forthcoming AGM. | |
| Directors' statement and recommendation | <p>Our Board, having considered all aspects of the Proposed Amendments, including but not limited to the rationale as well as the effects of the Proposed Amendments, is of the opinion that the Proposed Amendments are in the best interest of ARREIT.</p> <p>Accordingly, our Board recommends that you VOTE IN FAVOUR of the resolution in relation to the Proposed Amendments to be tabled at the forthcoming AGM.</p> | Section 7 of this Circular |
| Other Corporate Exercise/Scheme Announced but Pending Completion | Save for the Proposed Amendments, there is no other corporate exercise/scheme which has been announced by ARREIT but pending completion as at the LPD. | Section 8 of this Circular |

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AMANAHRAYA ■ REIT

AMANAHRAYA-KENEDIX REIT MANAGER SDN BHD

(Company No. 200901013113 (856167-A))

(Established in Malaysia under the Trust Deed dated 10 October 2006, the Supplemental Deed dated 4 January 2007, the Supplemental Deed dated 27 August 2009, the Supplementary Deed dated 13 May 2019 and the Amended and Restated Deed dated 5 December 2019 between AmanahRaya-Kenedix REIT Manager Sdn Bhd and Pacific Trustees Berhad, both of which are companies incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

Registered Office

Level 11, Wisma AmanahRaya
No. 2 Jalan Ampang,
50508 Kuala Lumpur

22 March 2024

Board of Directors

| | |
|--|---|
| Datuk Mohd Radzif Bin Mohd Yunus | <i>(Chairman, Non-Independent Non-Executive Director)</i> |
| Dato' Mohammed Noor Azmall Bin Jamaluddin | <i>(Independent Non-Executive Director)</i> |
| Wan Azman Bin Ismail | <i>(Independent Non-Executive Director)</i> |
| Aida Mosira Binti Mokhtar | <i>(Independent Non-Executive Director)</i> |
| Shahlan Bin Md Shukor | <i>(Non-Independent Non-Executive Director)</i> |
| Naoto Kojima | <i>(Non-Independent Non-Executive Director)</i> |
| Nguyen Thi Hoang Hanh | <i>(Non-Independent Non-Executive Director)</i> |
| YM Tunku Rozita Binti Tunku Abdul Malek | <i>(Non-Independent Executive Director)</i> |
| Ahmad Feizal Bin Sulaiman Khan | <i>(Non-Independent Non-Executive Director)</i> |
| (Alternate Director – Mohd Iskandar Dzulkarnain Bin Ramli) | |

To: The Unitholders

Dear Sir/Madam,

PROPOSED AMENDMENTS

1. INTRODUCTION

On 21 March 2024, the Board announced that ARREIT proposed to undertake the Proposed Amendments.

The Proposed Amendments are subject to approval being obtained from the Unitholders comprising not less than two-thirds (2/3) of all Unitholders present at the forthcoming AGM.

The purpose of this Circular is to:

- (i) provide you with the relevant information on the Proposed Amendments;
- (ii) set out the recommendation of the Board on the Proposed Amendments; and
- (iii) seek your approval for the resolution relating to the Proposed Amendments to be tabled at the forthcoming AGM.

The Notice of the AGM together with the Form of Proxy are enclosed in the Annual Report 2023.

WE ADVISE YOU TO READ CAREFULLY AND CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED AMENDMENTS TO BE TABLED AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED AMENDMENTS

Proposed Establishment of the Acquisition, Divestment and Performance Fees of AKRM

The Manager proposes to establish the acquisition, divestment and performance fees for ARREIT to be paid to AKRM, whereby a new Clause 19.1A will be inserted into the Amended and Restated Deed.

The new Clause 19.1A shall read as follows:

“The Manager shall also be entitled to receive:

- (a) an acquisition fee of up to 1.0% of the acquisition price of the assets to be acquired or purchased by the Trustee for AmanahRaya REIT;*
- (b) a divestment fee of up to 0.5% of the sale price of the assets to be disposed by the Trustee for AmanahRaya REIT; and*
- (c) a performance fee of up to 3.0% of the net property income before deduction of property management fee, excluding the Triple Net Lease (as defined below).*

*For the purpose of Clause 19.1A(c) above, “**Triple Net Lease**” means a lease agreement on a property whereby the tenant or lessee promises and obliges to pay rental and to pay all the expenses of the property including utilities, statutory payments of real estate taxes (quit rent and assessment), building insurance, repair and maintenance.”*

Proposed Amendments for Streamlining

AKRM proposes to amend and vary the existing provisions on annual report and quarterly reports as set out in Clauses 23.1(b) and 23.3 of the Amended and Restated Deed by way of the Supplementary Trust Deed, to align the Amended and Restated Deed with the latest regulatory requirements on the periodic reporting framework for listed REITs imposed by the regulators.

The amended Clauses 23.1(b) and 23.3 of the Amended and Restated Deed, with the proposed amendments being tracked on the same for ease of reference, is set out below:

| Existing provision | Proposed amendment |
|---|--|
| <p>“23.1 Annual Reports</p> <p>(b) Within two (2) months of each Financial Year end, the Manager must issue the annual report (signed by at least one of the directors of the Manager) of the AmanahRaya REIT to the SC and Bursa Securities and send a copy of the same by post to each Unitholder (without charge). Upon request from any Unitholder, additional copies of the annual report of the AmanahRaya REIT shall be sent by the Manager to the Unitholder within two (2) months after the request is received by the Manager and upon payment of a reasonable sum as may be determined by the Manager and the Trustee.”</p> | <p>“23.1 Annual Reports</p> <p>(b) Within two (2) <u>four (4)</u> months <u>after the end of the of each</u> Financial Year <u>of AmanahRaya REIT and</u>, the Manager must issue the annual report (signed by at least one of the directors of <u>the</u> Manager) of the AmanahRaya REIT to the SC and Bursa Securities and send a copy of the same by post <u>or via electronic transmission</u> to each Unitholder (without charge). Upon request from any Unitholder, additional copies of the annual report of the AmanahRaya REIT shall be sent by the Manager to the Unitholder within two (2) months after the request is received by the Manager and upon payment of a reasonable sum as may be determined by the Manager and the Trustee.” (Emphasis added)</p> |
| <p>“23.3 Quarterly reports to Bursa Securities</p> <p>The Manager must give Bursa Securities financial reports which are prepared (for each of the first three quarters of the Financial Year) no later than two (2) months after the end of the quarter in a Financial Year (or at such other intervals as Bursa Securities may require), which quarterly report must contain all information as required under the Listing Requirements.”</p> | <p>“23.3 Quarterly reports to Bursa Securities</p> <p>The Manager must give Bursa Securities <u>interim</u> financial reports which are prepared (for each of the first three quarters of the Financial Year) <u>on a quarterly basis</u> no later than two (2) months after the end of <u>each</u> quarter in a Financial Year (or at such other intervals as Bursa Securities may require), which quarterly report must contain all information as required under the Listing Requirements.” (Emphasis added)</p> |

3. RATIONALE FOR THE PROPOSED AMENDMENTS

Proposed Establishment of the Acquisition, Divestment and Performance Fees of AKRM

The Proposed Establishment of the Acquisition, Divestment and Performance Fees of AKRM was proposed after taking into consideration the following:

- (i) the Manager plays a vital role in ensuring any acquisition and divestment exercises are undertaken in accordance with the sustainable financial modeling, established guidelines and on a market driven basis. Hence, AKRM employs the right and competent resources to meet the set baseline and targets;
- (ii) investment decisions require stringent and prudent processes in finding the right assets, which involves amongst others, negotiation, robust analysis, presentation to the Board and the Trustee, appointment of solicitors, conducting various due diligence exercises such as valuation, financial, legal, building and structure, mechanical and electrical;

- (iii) to cater to the potential increase in the current and future operational cost, which includes amongst others, implementation of ARREIT's strategic direction and compliance costs; and
- (iv) to position AKRM on the same level with the other players in the REIT industry and that the Proposed Acquisition Fee, the Proposed Divestment Fee and the Proposed Performance Fee are within the range of the fees charged by managers of other REITs.

The Proposed Establishment of the Acquisition, Divestment and Performance Fees of AKRM will also further incentivise AKRM to further grow ARREIT for the benefit of the Unitholders, which will then allow ARREIT to be managed more effectively.

Proposed Amendments for Streamlining

Pursuant to section 9 of the Capital Markets and Services Act 2007 ("**CMSA**"), Bursa Securities has made consequential amendments to the periodic reporting framework for listed REITs under the Listing Requirements in accordance with the Capital Markets and Services (Prescription for Non-application) (Real Estate Investment Trusts) Order 2024 ("**CMSA Order 2024**").

With the coming into force of the CMSA Order 2024 on 26 February 2024, the mandated two (2)-month timeframe to lodge the annual report of the listed REIT with the SC and disseminate the same to the unitholders cease to be in effect.

The CMSA Order 2024 prescribes a longer timeframe of four (4) months after the end of the listed REIT's financial year, for the management company to lodge the annual report with the SC and issue the same to the unitholders.

The Proposed Amendments for Streamlining are deemed necessary for the purpose of enhancing the provisions under the Amended and Restated Deed and to comply with amongst others, the CMSA and the Listing Requirements, including administrative and/or technical amendments, which aims to provide better clarity to certain provisions in the Amended and Restated Deed. Subsequently, this will allow AKRM and the Trustee to perform their duties effectively and result in an increasingly expeditious decision-making process.

4. EFFECTS OF THE PROPOSED AMENDMENTS

The Proposed Amendments will not have any immediate effect on the total number of units, the unitholdings of the substantial unitholders, the net asset value per unit, gearing and the earnings per unit, of ARREIT.

The imposition of any acquisition, disposal or performance fee in the future, within the authorisation arising from the Proposed Amendments, will reduce the earnings per unit of ARREIT.

5. APPROVALS REQUIRED

The Proposed Amendments are subject to approval being obtained from the Unitholders of ARREIT comprising not less than two-thirds (2/3) of all Unitholders present and voting at a unitholders' meeting to be convened. Upon obtaining the approval of the Unitholders of ARREIT for the Proposed Amendments, AKRM and the Trustee will enter into the Supplementary Trust Deed. Thereafter, the Supplementary Trust Deed will be registered and lodged with the SC. The Supplementary Trust Deed will be effective upon its registration with the SC.

6. INTERESTS OF AKRM, TRUSTEE, AND DIRECTORS, MAJOR SHAREHOLDERS AND CHIEF EXECUTIVE OF AKRM, MAJOR UNITHOLDERS AND/OR PERSONS CONNECTED WITH THEM

Save and except for the following:

- (i) Amanah Raya Berhad, being a substantial Unitholder of ARREIT has interest in the Proposed Amendments by virtue of its position as the majority shareholder of AKRM;
- (ii) KDA Capital Malaysia Sdn Bhd, being a substantial Unitholder of ARREIT has interest in the Proposed Amendments by virtue of its position as a direct shareholder of AKRM; and
- (iii) AKRM, being the management company of ARREIT has interest in the Proposed Amendments, being entitled to impose the Proposed Acquisition Fee, the Proposed Divestment Fee and the Proposed Performance Fee,

none of AKRM, Trustee, and Directors, major shareholders and chief executive of AKRM, major unitholders of ARREIT and/or persons connected with any of them have any interest, direct or indirect, in the Proposed Amendments.

Accordingly, the abovementioned parties will abstain and have undertaken to ensure that persons connected to them will abstain from voting in respect of their direct and/or indirect unitholdings on the special resolutions pertaining to the Proposed Establishment of the Acquisition, Divestment and Performance Fees of AKRM and the Proposed Amendments, to be tabled at the forthcoming AGM.

7. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, having considered all aspects of the Proposed Amendments, including but not limited to the rationale as well as the effects of the Proposed Amendments, is of the opinion that the Proposed Amendments are in the best interest of ARREIT.

Accordingly, our Board recommends that you **VOTE IN FAVOUR** of the resolution in relation to the Proposed Amendments to be tabled at the forthcoming AGM.

8. OTHER CORPORATE EXERCISE/SCHEME ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Amendments, there is no other corporate exercise/scheme which has been announced by ARREIT but pending completion as at the LPD.

9. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Amendments are expected to be completed by the 3rd quarter of 2024.

10. AGM

An extract of the Special Resolution pertaining to the Proposed Amendments is set out in the Annual Report 2023.

The AGM will be conducted on a fully virtual basis through live streaming and online remote voting from the Broadcast Venue at First Floor, Wisma AmanahRaya, No. 2, Jalan Ampang, 50508 Kuala Lumpur and via the Remote Participation and Voting Platform at <https://meeting.boardroomlimited.my> on Thursday, 18 April 2024 at 10.00 a.m., for the purposes of considering and if thought fit, passing, with or without modifications, the resolution on the Proposed Amendments. The Notice of AGM together with the Proxy Form and the Administrative Guide are enclosed in the Annual Report 2023.

Please follow the procedures provided in the Administrative Guide for the AGM in order to register, participate and vote remotely.

If you are unable to participate and vote at the forthcoming AGM, please complete, sign and return the Form of Proxy, in accordance with the instructions printed on it, so as to arrive at the office of the Manager at Level 46, Vista Tower, The Intermark, 348 Jalan Tun Razak, 50400 Kuala Lumpur, not less than 48 hours before the time set for the AGM or any adjournment thereof. The lodging of the Form of Proxy does not preclude you from participating and voting at the AGM should you subsequently wish to do so.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of ARREIT at Level 11, Wisma AmanahRaya, No. 2 Jalan Ampang, 50508 Kuala Lumpur, during normal business hours on Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming AGM:

- (i) the Amended and Restated Deed;
- (ii) the draft Supplementary Trust Deed; and
- (iii) audited financial statements of ARREIT for the financial years ended 31 December 2022 and 31 December 2023, respectively.

Yours faithfully,
For and on behalf of the Board
AmanahRaya-Kenedix REIT Manager Sdn Bhd
(as the Management Company of ARREIT)

Datuk Mohd Radzif Bin Mohd Yunus
Chairman