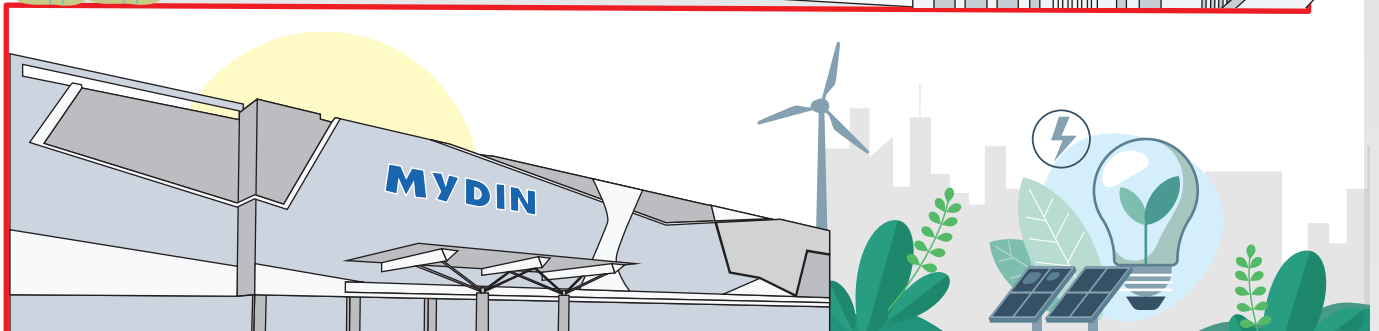
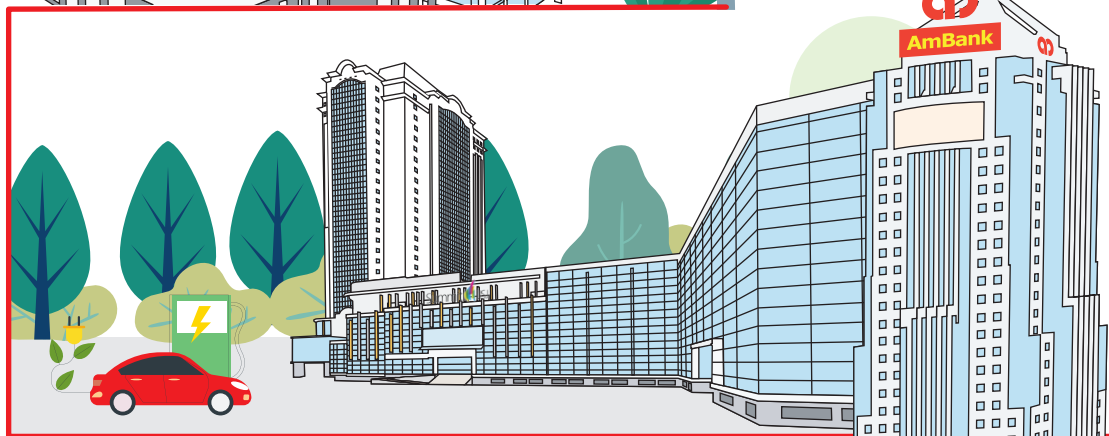




**AmFIRST**

**Real Estate Investment Trust**



**Annual Report 2024**



## OUR MISSION

“We focus on delivering sustainable long-term income distributions and investment performance of our diversified portfolio of commercial real estate.”

## OUR CORE VALUES

We believe in transparency and respect to go far in creating long-term trusting relationships with all stakeholders. We always believe in maintaining our integrity in order to uphold our good reputation in the REIT industry. As a team, we are collaborative, working together as an efficient and dynamic unit to deliver exceptional service that others will benchmark against us.



RESPECT



EXCELLENCE



INTEGRITY



TEAMWORK

## 12th

### ANNUAL GENERAL MEETING

#### Meeting Platform

<https://investor.boardroomlimited.com>

#### Meeting Venue

12<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia

#### Day and Date

Friday, 23 August 2024

#### Time

10:00 a.m.

#### GO PAPERLESS

We are committed to making a difference in the environment. Play your part by opting to download a softcopy of the Trust's annual report and/or documents at <https://www.amfirstreit.com.my> or by scanning the QR codes.



Annual Report 2024



12th AGM documents



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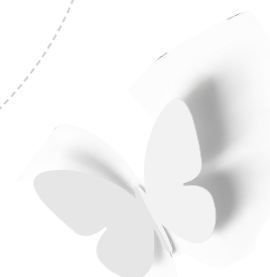
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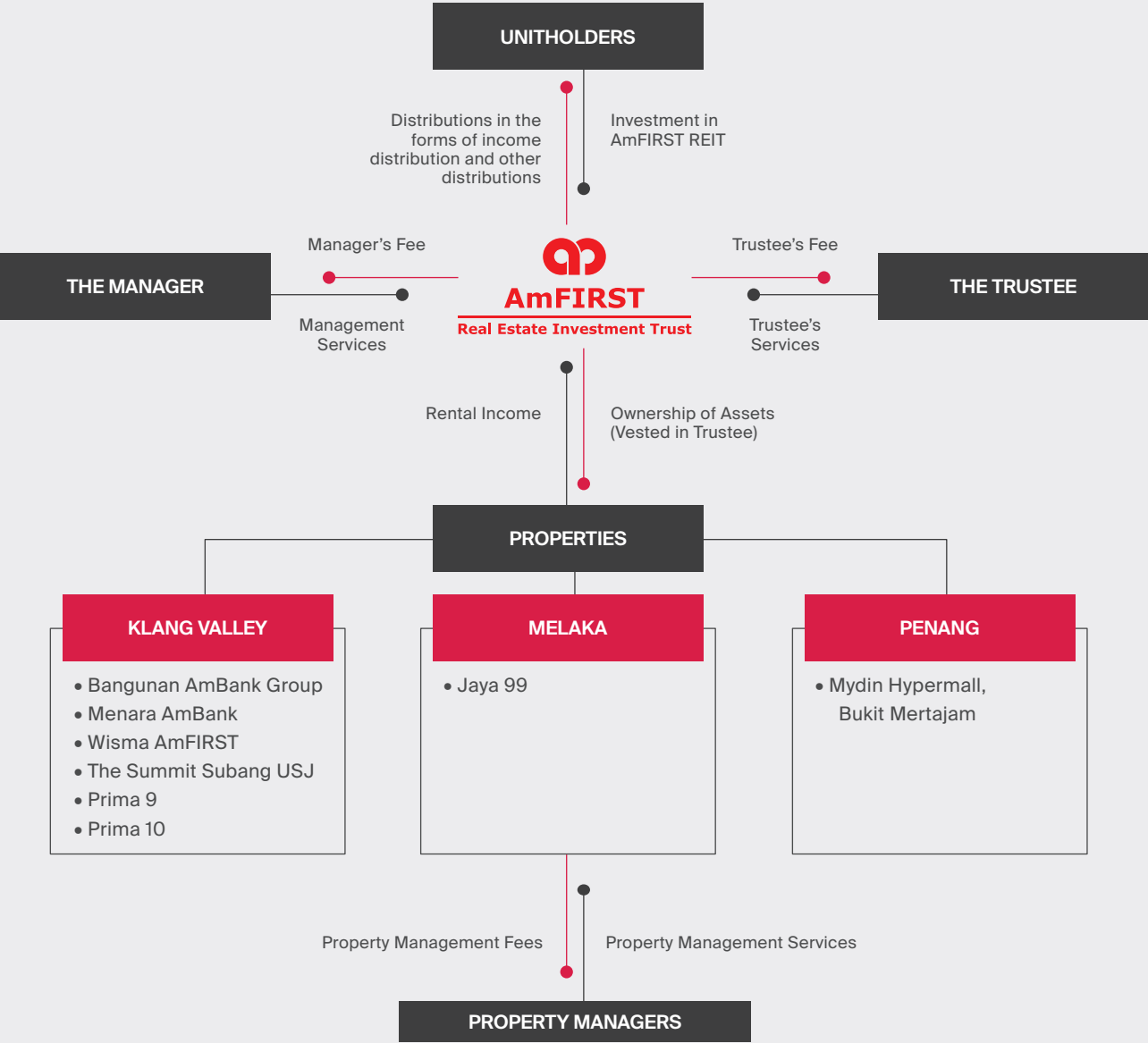


Item	Brief Description
Fund Name	AmFIRST Real Estate Investment Trust (AmFIRST REIT or the Trust)
Listing Market	Main Market of Bursa Malaysia Securities Berhad (Bursa Malaysia)
Listing Date	21 December 2006
Bursa Malaysia Stock Name and Code	AmFIRST 5120
Financial Year End	31 March
Category of Fund	Real Estate Investment Trust
Type of Fund	Income and growth
Fund Duration	The Trust has no fixed termination date. However, the Deed provides a number of circumstances under which the Trust may be terminated.
Permissible Investments	<ul style="list-style-type: none"><li>Invest in real estate, non-real estate assets and cash, deposit and money market instruments.</li><li>At least 75% of AmFIRST REIT's total assets must be invested in real estate that generates recurring rental income at all times.</li></ul>
Investment Objective	To own and invest in real estate and real estate-related assets, whether directly or indirectly, through the ownership of single-purpose companies whose principal assets comprise of real estate and real estate-related assets.
Investment Policies	To invest in real estate, single-purpose companies whose principal assets comprise of real estate, real estate-related or non-real estate-related assets, liquid assets, asset-backed securities, listed or unlisted debt securities and any other investments which are permissible under Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts (SC's Listed REIT's Guidelines) or otherwise permitted by the Securities Commission.
Borrowings Limit	Not exceeding 50% of the total asset value of AmFIRST REIT at the time the borrowings are incurred.
Distribution Policy	<ul style="list-style-type: none"><li>Income distributions will be paid on a semi-annual basis (or such other intervals as determined by the Manager).</li><li>The Manager intends to distribute at least 90% of the distributable income for each financial year.</li></ul>
Revaluation Policy	The properties are revalued annually pursuant to Malaysian Financial Reporting Standard 140 and Clause 10.02(b)(i) of the SC's Listed REIT's Guidelines.
Investors' Profile	AmFIRST REIT may appeal to investors with a long-term investment horizon seeking sustainable distribution of income and long-term capital growth.

AmFIRST Real Estate Investment Trust (AmFIRST REIT or the Trust) is a real estate investment trust established in Malaysia and constituted under the Deed dated 28 September 2006 (Original Deed) (as amended by the First Supplemented, Revised and Restated Trust Deed dated 15 December 2006 (First Deed), the Second Restated Deed dated 13 September 2013 (Second Deed) and the Third Restated Deed dated 12 June 2020 (Third Deed or the Deed)) entered into between AmREIT Managers Sdn Bhd (AmREIT or the Manager) and Maybank Trustees Berhad, as the Trustee of AmFIRST REIT (the Trustee). The Third Deed has superseded the Original Deed, the First Deed and the Second Deed.

AmFIRST REIT was listed on the Main Market of Bursa Malaysia Securities Berhad (Bursa Malaysia) on 21 December 2006.

The principal activity of AmFIRST REIT is to own and invest in a portfolio of commercial properties in major growth areas in Malaysia.



Corporate Structure

The diagram illustrates the corporate structure of AmFIRST REIT. At the top is Amcorp, which owns 100% of AmProp and 12% of AMMB. AmProp owns 30% of AmREIT Holdings, while AMMB owns 70% of AmREIT Holdings. AMMB also owns 100% of AIGB. Finally, AmREIT Holdings owns 100% of AmREIT.

AmFIRST REIT is managed by AmREIT, which is responsible for the management and administration of AmFIRST REIT, as well as the implementation of the Trust’s investment and business strategies.

The Manager was incorporated in Malaysia on 20 April 2006 and is wholly owned by AmREIT Holdings Sdn Bhd (AmREIT Holdings), which in turn is 70% owned by AmInvestment Group Berhad (AIGB) and 30% owned by Amcorp Properties Berhad (AmProp).

Organisation Structure

The diagram shows the organisational structure. At the top is the Board of Directors. Reporting to the Board are the Management Appointment Committee, Executive Committee, and Audit Committee. The Executive Committee oversees the Chief Executive Officer. The Chief Executive Officer oversees five departments: Investment, Marketing and Leasing, Operations, Finance, and Compliance and Risk.

The Manager has established a Sustainability Committee, which comprises of Sustainability Management Team (head of departments) and Sustainability Working Team (one representative from each department). The Sustainability Committee is directly reporting to the Board of Directors.

Board Composition

Tenure (Length of Service)

	0 – 3 Years
	3 – 6 Years
	6 – 9 Years

Gender Diversity

	Male
	Female

Age Profile (%)

40 - 59 years old	17%
60 - 69 years old	67%
70 - 79 years old	17%

Independent (%)

Independent	50%
Non-Independent	50%

Declaration: All the Directors















have no family relationship with any Director and/or major Unitholders of AmFIRST REIT.









have complied with relevant policies on conflict of interest.







have not been convicted of any offence within the past five years.

have not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year.



						
<b>SOO KIM WAI</b> Chairman/Non-Independent Non-Executive Director		<b>DATO' WONG NAM LOONG</b> Independent Non-Executive Director		<b>DATO' ABDULLAH THALITH BIN MD THANI</b> Independent Non-Executive Director		<b>JAS BIR KAUR A/P LOL SINGH</b> Independent Non-Executive Director
 Nationality  Gender  63 Age		 Nationality  Gender  74 Age		 Nationality  Gender  69 Age		 Nationality  Gender  66 Age
• Date of Appointment	19 August 2015	15 August 2016		• Date of Appointment	15 August 2016	19 May 2023
• Length of Service	8 years 9 months	7 years 9 months		• Length of Service	7 years 9 months	1 year
• Board Meeting Attendance	4/4	4/4		• Board Meeting Attendance	3/4	3/3
• Board Committee	<ul style="list-style-type: none"><li>• Audit Committee</li><li>• Management Appointment Committee</li></ul>	<ul style="list-style-type: none"><li>• Chairman of the Audit Committee</li><li>• Chairman of the Management Appointment Committee</li></ul>		• Board Committee	<ul style="list-style-type: none"><li>• Audit Committee</li><li>• Management Appointment Committee</li></ul>	Nil
• Academic/Professional Qualification(s)	<ul style="list-style-type: none"><li>• Member of the Malaysian Institute of Accountants.</li><li>• Member of the Malaysian Institute of Certified Public Accountants.</li><li>• Fellow of the Certified Practising Accountant, Australia.</li><li>• Fellow of the Association of Chartered Certified Accountants, United Kingdom.</li></ul>	<ul style="list-style-type: none"><li>• Degree of an Utter Barrister from Lincoln's Inn, London.</li><li>• Called to the English Bar in 1972 after completing the post final examination.</li><li>• Called to the Malaysian Bar on 21 February 1973.</li></ul>		• Academic/Professional Qualification(s)	<ul style="list-style-type: none"><li>• Degree in B. Surveying (Property Management) from Universiti Teknologi Malaysia.</li><li>• Master of Science (Business Studies) from University of Salford.</li></ul>	<ul style="list-style-type: none"><li>• Degree in Economics and Business Administration (Analytical Economics) from University Malaya.</li><li>• Masters in Science (Finance) from the University of Strathclyde, Glasgow, Scotland.</li><li>• Second Master of Managerial Psychology (part-time) from HELP University, Kuala Lumpur.</li><li>• Certified Professional Coach (Corporate Coach Academy) and a certified mediator under Malaysian Mediation Centre.</li></ul>
• Present Directorship(s) in Listed Entities	<ul style="list-style-type: none"><li>• Director, AMMB Holdings Berhad.</li><li>• Director, RCE Capital Berhad.</li><li>• Chairman, Amcorp Global Limited.</li></ul>	Nil		• Present Directorship(s) in Listed Entities	Nil	Independent Director of Pimpinan Ehsan Berhad.
• Present Appointment(s)	Group Managing Director of Amcorp Group Berhad.	<ul style="list-style-type: none"><li>• Managing Director, Temasya Mentari Sdn Bhd.</li><li>• Managing Director, Richmond Cresent Sdn Bhd.</li><li>• Managing Director, The Esquire Kitchen Sdn Bhd.</li></ul>		• Present Appointment(s)	Nil	<ul style="list-style-type: none"><li>• Independent Non-Executive Director of AmFunds Management Berhad.</li><li>• Independent Director of Pacific Trustees Group International Sdn Bhd.</li><li>• Independent Director of Federation of Investment Managers Malaysia (FIMM).</li><li>• Panel of mediators for Securities Industry Dispute Resolution Centre (SIDREC).</li></ul>
• Relevant Experience	Mr Soo joined Amcorp in 1989 as Senior Manager of Finance and has since held various senior positions before he was promoted to his current appointment. Prior to that, he was attached with Plantation Agencies Sdn Bhd from 1985 to 1989 and in the accounting profession for five years with Deloitte KassimChan from 1980 to 1985.	Dato' Wong started his career with Messrs Shook Lin & Bok as an Advocate and Solicitor. Dato' Wong is the co-founder of Messrs Wong, Fadzil Omar & Co, which had managed to be appointed to the panels of some of the leading banks in Malaysia. Dato' Wong subsequently becomes a property developer. He also acquired several food and beverage businesses, namely, The Esquire Kitchen Sdn Bhd and Grand Imperial Group.		• Relevant Experience	<p>Dato' Abdullah Thalith joined the Valuation and Property Services Department, Ministry of Finance as a Valuation Officer in May 1978. Along the line, he had been elevated as District Valuer, State Director, Director of INSPEN (the training arm of the Department), Director of National Property Information Centre (NAPIC) and Deputy Director General.</p> <p>During his tenure, his major and significant contribution was the setting up of NAPIC in 1999 where he was the first Director and had presented a number of papers at property forum and seminars, both local and abroad. His last position was as the Director-General of the Department from February 2006 prior to his retirement in November 2012.</p>	Throughout her career, Madam Jas Bir Kaur had held senior positions at Bank Negara Malaysia, Securities Commission Malaysia and Value Partners Hong Kong, an asset management company listed on the Hong Kong Stock Exchange.

			
<b>AZLAN BAQEE BIN ABDULLAH</b> Non-Independent Non-Executive Director		<b>CHRISTOPHER YAP HUEY WEN</b> Non-Independent Non-Executive Director	
 Nationality		 Gender	
 61 Age		 Nationality	
 Gender		 51 Age	
• Date of Appointment		22 February 2018	
• Length of Service		6 Years 3 months	
• Board Meeting Attendance		4/4	
• Board Committee		Nil	
• Academic/Professional Qualification(s)		• Bachelor of Science in Business Administration (Major Accounting and Finance) California State University, Chico.	
• Present Directorship(s) in Listed Entities		Nil	
• Present Appointment(s)		• Chief Operating Officer, Amcorp Properties Berhad (AmProp). • Chairman of EXCO, AmREIT. • Non-Independent Non-Executive Director of AmBank Islamic Berhad and Member of its Board Credit Committee. • Industry Advisory Panel for Azman Hashim International Business School at University Teknologi Malaysia (UTM).	
• Relevant Experience		<p>Encik Azlan Baqee joined Amcorp Group Berhad (Amcorp) in 1990 and has since undertaken various challenging and multi-tasking positions within the Group. He was responsible for the overall management and development of a Highrise development projects, Amcorp Trade Centre in Petaling Jaya, development of the 400 acres Kayangan Heights in Shah Alam, the 1,000 acres Sibu Jaya Township in Sarawak, and various other mid-sized projects throughout Malaysia. In 2007, Encik Azlan Baqee was appointed as Chief Operating Officer of AmProp, a wholly owned subsidiary of Amcorp. Apart from expanding AmProp property ventures into overseas markets at prime central London, Tokyo, Madrid, Hong Kong, Singapore and Shanghai, he was also instrumental in setting-up AmProp Group's venture into Sustainable Renewable Energy Power Plants i.e., 6MW Sg Perting Mini Hydro Power plant, 10.3 MW Gemas Solar Power Plant and 20 MW Sg Liang Mini Hydro Power Plant in Malaysia.</p> <p>Encik Azlan Baqee is board member of various subsidiaries within Amcorp and AmProp. He is also an Exco member for Amcorp Global Limited listed in SGX as well as the Non-Independent Non-Executive Director of AmREIT Holdings.</p>	

			
<b>Chong Hong Chuon</b> Chief Executive Officer		<b>Zuhairy Bin Md. Isa</b> Deputy Chief Executive Officer	
			
<b>Jayasuraes Naidu A/L Subramaniam</b> Head, Compliance & Risk		<b>Mohammad Ashraf Bin Shamshiri</b> Head, Operations	
			
<b>Abdul Rahman Bin Mohd Joned</b> Head, Finance		<b>Danny Chee Kok Leong</b> Head, Marketing & Leasing	

Declaration: All the senior management



have no interest in the securities of AmFIRST REIT.



have no family relationship with any other Directors or major Unitholders of AmFIRST REIT.



have complied with relevant policies on conflict of interest.



have not been convicted of any offence within the past five years.



have not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year.

Chong Hong Chuon

 Nationality

 Gender

51

Age

- **Date of Appointment**  
2 November 2015
- **Present Directorship(s) in Listed Entity**  
None
- **Relevant Experience**  
Mr Chong Hong Chuon joined AmREIT on 2 November 2015 as Chief Financial Officer.  
  
On 11 June 2018, he was appointed as Acting Chief Executive Officer of AmREIT and relinquished his role as Acting Chief Executive Officer with effect from 22 April 2019.  
  
On 1 December 2022, he was re-appointed as Acting Chief Executive Officer of AmREIT and subsequently relinquished his role as Chief Financial Officer after designated as Chief Executive Office with effect from 1 November 2023.  
  
Mr Chong started his career as an auditor and has more than twenty years of extensive working experience in strategic planning, financial and operation management in real estate industry particularly Real Estate Investment Trust. Previously, he was General Manager, Finance of Tropicana Corporation Berhad. Prior to that, he was the Head of Finance of AmREIT and Group Financial Controller of GLM REIT Management Sdn Bhd.  
  
He holds a Master of Science in Financial Management from The Robert Gordon University, United Kingdom and a fellow member of the Association of Chartered Certified Accountants, United Kingdom and member of the Malaysian Institute of Accountants.  
  
He currently holds the Capital Markets Services Representative's License under the Capital Markets and Services Act 2007 and a Registered Property Manager with the Board of Valuers, Appraisers, Estate Agents and Property Managers of Malaysia.

Zuhairy Bin Md. Isa

 Nationality

 Gender

54

Age

- **Date of Appointment**  
15 April 2008
- **Present Directorship(s) in Listed Entity**  
None
- **Relevant Experience**  
Encik Zuhairy Bin Md Isa joined AmREIT on 15 April 2008 as the Head of Asset Management, where he was responsible for overseeing property management, marketing and leasing and the implementation of organic growth strategies to enhance the performance of AmFIRST REIT's asset portfolio as well as planning and implementing the asset enhancement initiatives.  
  
On 1 August 2013, he was appointed as the Acting Chief Executive Officer of AmREIT responsible for the strategic direction, investment objectives and operations of AmFIRST REIT and AmREIT as well as overseeing the roles as the Head of Asset Management.  
  
On 8 January 2015, he was re-designated as the Deputy Chief Executive Officer of AmREIT and currently responsible for the investment strategies and property portfolio planning for AmFIRST REIT.  
  
Encik Zuhairy has more than fifteen years of related working experience prior to joining AmREIT. His last position was as the Assistant Vice President II with MIDF Property Berhad, heading the Leasing and Marketing Department for Klang Valley region. He was also responsible in handling the land development matters throughout Malaysia as well as Indonesia. He also served as a director for the subsidiaries involved in logistics in Malaysia and property development in Indonesia, namely MIEL Logistics Sdn Bhd and PT Miel Nusantara Development.  
  
He is currently a Management Committee Member of The Summit Subang USJ Management Corporation representing AmFIRST REIT in managing the mixed integrated strata development. He is also the Vice Chairman of the MRMA for 2024/2025.  
  
He graduated from the University of Newcastle Upon-Tyne, United Kingdom with Postgraduate Diploma and Bachelor of Arts (Hons) Degree, both in Town Planning.  
  
He currently holds the Capital Markets Services Representative's License under the Capital Markets and Services Act 2007 since April 2014 and a Registered Property Manager with the Board of Valuers, Appraisers, Estate Agents and Property Managers of Malaysia.

Jayasuraes Naidu A/L Subramaniam

 Nationality

 Gender

51

Age

- **Date of Appointment**  
4 May 2015
- **Present Directorship(s) in Listed Entity**  
None
- **Relevant Experience**  
Mr Jayasuraes Naidu A/L Subramaniam joined AmREIT on 4 May 2015 as Vice President of Compliance & Risk. He is primarily responsible for compliance and risk management activities of AmREIT. He has twenty-seven years of related working experience and has also been entrusted with the Business Operational Controls function which is a requirement enforced by the Group Operational Risk Department of AmBank Group.  
  
Apart from specialised knowledge and skills in compliance, auditing and risk management, he too had an opportunity to lead management and its operations regionally in his previous employment. The combination of experiences that he has gained over the years greatly contributes to the current organization and in discharging his current role.  
  
He began his career with Arthur Andersen & Co., as an external auditor in the public accounting firm and later pursued his interest in internal audit function with IGB Corporation Berhad (IGB). He was one of the key members in the Group Internal Audit team in IGB during its initial establishment and implementation of internal audit function.  
  
Prior to joining AmREIT, he was attached to Turiya Technologies Pte Ltd, a semiconductor company based in Singapore. He was the Head of Finance and Risk Management for the Singapore Group of Companies. He was later promoted to General Manager to helm the Singapore and China Operations.  
  
He holds a Bachelor's Degree in Accountancy (Hons) from University Putra Malaysia and is a Certified Internal Auditor as well as a Chartered Accountant (M). He is currently a Member of the Malaysian Institute of Accountants and the Institute of Internal Auditors Malaysia.

Mohammad Ashraf Bin Shamshiri

 Nationality



 Gender









48

Age

- **Date of Appointment**  
19 September 2022
- **Present Directorship(s) in Listed Entity**  
None
- **Relevant Experience**  
En Mohammad Ashraf Bin Shamshiri joined AmREIT on 19 September 2022 as Vice President of Operations. He and his team are responsible for managing eight buildings owned by AmFIRST REIT.  
  
He has 20 years of technical working experience with real estate and banking background.  
  
He began his career with Savills (KL) Sdn Bhd (formerly known as Regroup Associates Sdn Bhd) for five years delving in commercial and residential real estate agency, valuations and property management.  
  
Before joining AmREIT, he was with CIMB Bank Berhad, where he joined the Group Administration & Property Management Department as well at the Branch Network Services Department. There, he spent fifteen years assisting and managing around 300 branch tenancies, troubleshooting branch operations and maintenance concerns, assisting corporate exercises as well as execution of several nationwide projects. He also performed the role of Designated Compliance Officer during his last seven years with the Branch Network Services Department.  
  
He obtained a Bachelor of Science in Estate Management from Universiti Teknologi MARA and a Higher Diploma in Land Management from De Montfort University Leicester, United Kingdom.



Abdul Rahman Bin Mohd Joned			Danny Chee Kok Leong		
	Nationality		Gender	<div>48</div>	Age
<ul style="list-style-type: none"><li><b>Date of Appointment</b> 1 December 2023</li><li><b>Present Directorship(s) in Listed Entity</b> None</li><li><b>Relevant Experience</b> Encik Abdul Rahman joined AmREIT in June 2007 as Assistant Manager, Finance, gradually taking on roles within the finance department before being promoted to Head of Finance on 1 December 2023. He is currently overseeing financial and management accounting and reporting, capital and interest rate management, treasury operations and credit control. In addition to his current finance roles, he is also responsible for investor relations and communications function, as well as sustainability reporting.  He serves as a Compliance Officer from June 2013 before relinquished the position in April 2015. Additionally, he previously held responsibility for the risk management function of the Trust and the Manager from January 2014 to April 2015.  Prior to joining AmREIT, he gained over ten years of relevant working experience. His last role was as an Assistant Accountant at Chase Perdana Berhad, a publicly listed company, where he was responsible for preparing management and financial reports for the company and its subsidiaries.  He began his career as an auditor with Abu Bakar Rajudin &amp; Co. and was involved in auditing, accounting, taxation, secretarial and due diligence work.  He holds a Degree in Accountancy (Hons) from Universiti Teknologi MARA with a Degree in Accountancy (Hons) and is a member of The Malaysian Institute of Accountants.</li></ul>			<ul style="list-style-type: none"><li><b>Date of Appointment</b> 1 December 2023</li><li><b>Present Directorship(s) in Listed Entity</b> None</li><li><b>Relevant Experience</b> Mr. Danny Chee joined AmREIT on 26 April 2023 as Senior Manager, Marketing &amp; Leasing. He is responsible for marketing and leasing of space including negotiating with new prospects for new lease and existing tenants for renewal. He is also actively involved in the property management activities of the AmFIRST REIT’s portfolios.  He has 15 years of relevant working experience in property leasing, property management as well as property sales and marketing.  He began his career in shopping mall management, having joined several shopping malls and property developers in the states of Sabah, Johor, and Selangor.  Before joining AmREIT, he was with 1 Utama Shopping Centre with the role as the Business Development Manager–Mall Innovation, where he was responsible to plan, coordinate and execute some of the special projects and placemaking exercise as well as setting up new business units within Bandar Utama.  He obtained a Bachelor of Business with Honour (Entrepreneurship) at Universiti Malaysia Sabah. He is a Registered Property Manager (RPM) with the Board of Valuers, Appraisers, Estate Agents, and Property Managers of Malaysia. He is also accredited as Certified Mall Marketing and Leasing Manager (CMMLM), as well as Certified Mall Operations Manager (CMOM) by the Malaysia Shopping Malls Association.</li></ul>		

<div><div>Asset Under Management</div><div></div><div>RM1,557.8 million</div><div>(31.3.2023 : RM1,543.4 million)</div></div>	<div><div>Gross Revenue</div><div></div><div>RM101.4 million</div><div>(FY2023 : RM103.4 million)</div></div>
<div><div>Unit Price</div><div></div><div>32.0 sen</div><div>(31.3.2023 : 33.0 sen)</div></div>	<div><div>Net Property Income</div><div></div><div>RM57.2 million</div><div>(FY2023 : RM58.9 million)</div></div>
<div><div>Gearing</div><div></div><div>47.2%</div><div>(31.3.2023 : 47.4%)</div></div>	<div><div>Realised Net Profit</div><div></div><div>RM12.4 million</div><div>(FY2023 : RM17.5 million<sup>1</sup>)</div></div>
<div><div>NAV Per Unit</div><div></div><div>RM1.1743</div><div>(31.3.2023 : RM1.1570)</div></div>	<div><div>DPU Per Unit</div><div></div><div>2.00 sen</div><div>(FY2023 : 2.70 sen)</div></div>

<sup>1</sup> Before the effect of realised loss on disposal of Menara AmFIRST.





## MESSAGE FROM CHAIRMAN

Dear Stakeholders,

On behalf of the Board of Directors of AmREIT Managers Sdn Bhd (the Board), it is my pleasure to present AmFIRST REIT's annual report for the financial year ended 31 March 2024 (FY2024).



## ECONOMIC REVIEW

In 2023, the global economy experienced a slowdown, primarily due to policy tightening across nations, surging inflation and interest rate hike compounded by emergence of multiple geopolitical tensions, all of which heightened uncertainty and volatility in the markets.

On the local front, Malaysia's economy grew by 3.7%, supported by resilient domestic demand, recovery in tourism activities and improved labor market conditions. In May 2023, Bank Negara Malaysia (BNM) increased the Overnight Policy Rate (OPR) by 25 basis points from 2.75% to 3.00%, further normalising the degree of monetary accommodation.

## PROPERTY MARKET REVIEW

Despite a challenging global landscape, Malaysia's property market demonstrated resilient, posting positive growth in 2023. Total transaction value increased by 9.9% to RM197 billion, a notable rebound from RM179 billion in 2022, marking a positive recovery post-pandemic.

However, the Klang Valley office market continues to face pressure in 2023, exacerbated by the completion of multiple new purpose-built office buildings, which further elevated the vacancy rates. Several notable key trends include rising demand for refined and flight-to-green office space. Meanwhile, demand for co-working spaces in Klang Valley remains high with immense potential for expansion.

In 2023, the retail sector achieved a slower growth rate of 2.2%, as the rising cost of living affected consumer spending confidence. Additionally, older retail malls faced downward pressure on occupancy and rental as they are losing out to newer and more modern malls.

At the Trust's level, overall portfolio occupancy improved by 2.1%, from 82.6% as at 31 March 2023 to 84.7% as at 31 March 2024. This improvement was primarily driven by significant improvement in the occupancy at The Summit Retail, which saw occupancy improved from 72.0% as at 31 March 2023 to 89.0% as at 31 March 2024, due to various new tenancies, including a renowned supermarket and virtual indoor golf simulator, being new anchor tenants in the Mall.

## FINANCIAL YEAR IN REVIEW

The Trust's gross revenue from its existing eight properties saw a 0.6% growth, driven by increased revenue contributions from The Summit Subang USJ, Prima 9 and Jaya 99. However, this growth was offset by the decrease in revenue contributions from Bangunan AmBank Group, Menara AmBank and Wisma AmFIRST, attributed to non-renewals and downsizing of tenancies.

Property expenses were lower by 0.7% year-on-year, amidst rising energy costs caused by a significant hike in tariffs. Our cost-discipline strategies to optimize operation costs together with efforts on the sustainability initiatives aimed at reducing our carbon footprints, have shown positive results as evidenced by lower costs reported in certain property expense categories year-on-year.

BNM has tightened its monetary policy by raising the OPR from 1.75% to 3.00% since May 2022. Consequently, the cost of debts of the Trust has increased, which led to higher interest expenses by RM2.9 million or 9.1% year-on-year.

“Our strategies focusing on enhancing growth of the Trust's existing assets have shown positive outcomes, as evidenced by the improved revenue contributions from several of the Trust's assets. While COVID-19 pandemic is behind us, interest rate hike and rising energy costs have impacted the Trust's performance for the current financial year. Despite these challenges, we managed to cushion their impacts by maintaining a disciplined approach to cost management and doubling down on our sustainability efforts, aimed at optimizing costs across the business.”

## Key Highlights

## Net Profit after Taxation of



RM25.6  
million

## Realised Net Income of



RM12.4  
million

Overall, the Trust delivered a net profit after taxation of RM25.6 million, marking an 80% increase from RM14.2 million reported in FY2023, primarily driven by higher revenue and fair value gain on investment properties of RM9.5 million. However, realised net income experienced a 29% decline year-on-year, mainly due to higher interest expenses and energy cost.

The Trust's asset under management grew by 0.9% to RM1.56 billion, largely attributed by fair value gain. On capital and interest rate management, gearing ratio as at 31 March 2024 was 47.2%, while the weighted average interest rate was 4.38%, with 20% of the borrowings fixed/hedged.

We will continue our proactive asset management strategies and implement selective asset enhancement initiatives, to ensure the resilience of the Trust's asset quality in facing the challenges ahead. Meanwhile, on the asset portfolio management, we will pursue opportunistic strategic divestment of low-yielding and non-core assets, and subsequently acquire accretive new asset class to rationalise and diversify the asset portfolio.

## INCOME DISTRIBUTION

The Board has approved a final income distribution of 1.18 sen per unit, which brings the full year income distribution to 2.00 sen per unit for FY2024, a 26% decrease from the previous year's income distribution of 2.70 sen per unit.

## MESSAGE FROM CHAIRMAN

PROGRESSING OUR  
SUSTAINABILITY EFFORTS

The Board and Management's commitment to mitigate our impact on climate change is evidenced by our continued efforts and investments to transition the Trust's assets to greener buildings, to preserve its ability to deliver long-term value to Unitholders. We achieved this through, amongst others, investment in lower carbon and green technologies such as changing to LED lightings, installation of cashless parking systems and EV charging stations. As part of our decarbonization efforts, we will be deploying more investment in energy-efficient systems and technologies, to reduce the Trust's energy consumption.

Our ongoing commitment to sustainability has led us to receive certifications and ratings from government agency and relevant authority. Our goal is for all of the Trust's buildings to achieve energy management and environmental accreditations.

## THE YEAR AHEAD

Of course, 2024 will have its challenges. The escalation of multiple geopolitical tensions poses a looming threat to global economy, further complicating the business landscape.

On the domestic front, Malaysia's economy is expected to achieve a growth rate between 4.0% to 5.0% in 2024, underpinned by resilient private consumption and investment, rebound in public spending and better labor market conditions.

The Klang Valley office market is expected to remain tenant-led due to persistent supply and demand imbalances. The combination of high influx of new supply and the prevailing flight-to-quality trend will continue to exert pressure on both occupancy and rental levels. Looking ahead to 2024, the biggest challenge for the retail industry is the rising cost of living which may dampen consumer spending.

At the Trust's level, as we navigate through this landscape, we will remain vigilant and approach the opportunities and challenges ahead with caution, implementing right strategies and operational measures to improve the Trust's performance.

## IN APPRECIATION

On behalf of the Board, I would like to express our gratitude to our Unitholders, Trustee, regulators, tenants, business partners and stakeholders for your continuing support and trust through the years.

To my fellow Board members and our dedicated employees, I offer my sincere appreciation for your contributions and commitment as we pursue our strategies to improve the Trust's performance.


**Soo Kim Wai**  
Chairman

## Key Highlights

## Total Income Distribution of



**2.00**  
sen per unit

Total Asset Under  
Management grew by


**RM14.4**  
million

## KEY FIGURES FOR FIVE-YEAR

	FY2024 RM'000	FY2023 RM'000	FY2022 RM'000	FY2021 RM'000	FY2020 RM'000
<b>SUMMARY OF FINANCIAL POSITION</b>					
Investment Properties	<b>1,557,800</b>	1,543,421	1,608,747	1,628,489	1,647,140
Total Asset Value	<b>1,603,431</b>	1,591,658	1,661,275	1,673,720	1,679,146
Net Asset Value (NAV)	<b>814,159</b>	804,874	811,749	823,632	840,744
Borrowings	<b>757,312</b>	754,127	815,214	814,702	798,669
Gearing (%)	<b>47.23</b>	47.38	49.07	48.68	47.56
Units in Circulation (Units) ('000)	<b>686,402</b>	686,402	686,402	686,402	686,402
NAV per Unit (RM)					
- Before proposed final income distribution	<b>1.1861</b>	1.1726	1.1826	1.1999	1.2249
- After proposed final income distribution	<b>1.1743</b>	1.1570	1.1633	1.1857	1.2100
- Highest NAV during the year (ex-distribution)	<b>1.1745</b>	1.1853	1.2055	1.2340	1.2347
- Lowest NAV during the year (ex-distribution)	<b>1.1582</b>	1.1570	1.1643	1.1857	1.2071
<b>SUMMARY OF COMPREHENSIVE INCOME</b>					
Revenue	<b>101,429</b>	103,429	99,647	107,303	120,682
Net Property Income	<b>57,211</b>	58,911	59,255	64,969	76,565
Profit for the financial year, consisting of:					
- Realised net income from operation	<b>12,403</b>	17,526	22,185	21,513	25,493
- Realised capital loss from disposal of investment property	-	(4,652)	-	-	-
- Unrealised	<b>13,218</b>	1,324	(16,840)	(18,788)	(1,906)
Total	<b>25,621</b>	14,198	5,345	2,725	23,587
<b>DISTRIBUTION PER UNIT (DPU) (SEN)</b>					
- Interim	<b>0.82</b>	1.14	1.09	1.40	1.86
- Final	<b>1.18</b>	1.56	1.93	1.42	1.49
Total	<b>2.00</b>	2.70	3.02	2.82	3.35
Distribution Yield (based on respective closing market price) (%)	<b>6.25</b>	8.18	7.95	6.64	8.27
Management Expense Ratio (MER) (%) <sup>1</sup>	<b>0.97</b>	0.90	0.76	1.39	1.05
Portfolio Turnover Ratio (PTR) (Times) <sup>2</sup>	-	0.08	-	-	-

<sup>1</sup> The calculation of MER is based on total fees incurred by AmFIRST REIT, including the Manager's fees, Trustee's fees, Audit fees, Tax Agent's fees and administrative expenses, to the average net asset value during the financial year.

<sup>2</sup> The calculation of PTR is based on the average of total acquisition and total disposal of investments in AmFIRST REIT for the financial year to the average net asset value during the financial year.

	FY2024 RM'000	FY2023 RM'000	FY2022 RM'000	FY2021 RM'000	FY2020 RM'000
UNIT PRICE PERFORMANCE (RM)					
- As at 31 March	0.320	0.330	0.380	0.425	0.405
- Highest traded price during the year	0.360	0.410	0.445	0.460	0.545
- Lowest traded price during the year	0.310	0.320	0.365	0.380	0.355
- Average traded price during the year <sup>3</sup>	0.333	0.361	0.403	0.412	0.477
- Average volume traded per day (Units) ('000)	299	301	198	317	374
TOTAL RETURN (%) <sup>4</sup>					
Change in Unit Price	(3.08)	(14.08)	(11.18)	4.82	(27.66)
Income Distribution	6.15	7.61	7.50	6.80	7.13
Total Return	3.08	(6.47)	(3.68)	11.62	(20.53)
Annual Total Return (%) <sup>5</sup>	3.08	(6.47)	(3.68)	11.62	(20.53)
Average Total Return (3 years) (%) <sup>6</sup>	(2.36)	0.49	(4.20)	(4.44)	(16.26)
Average Total Return (5 years) (%) <sup>6</sup>	(3.20)	(4.70)	(8.17)	(4.85)	(10.35)

<sup>3</sup> Average traded price during the year is calculated based on average of opening price and closing price for the financial year.

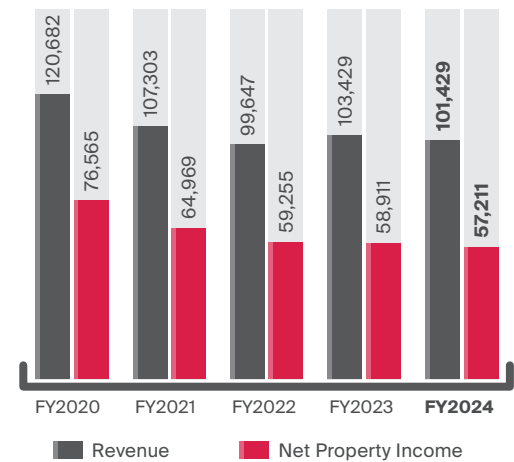
<sup>4</sup> Total Return is based on the actual gross income distribution and net change in unit price at the opening and closing of the financial year, over the average unit price of the opening and closing of the respective financial year.

<sup>5</sup> Based on movement in unit price and DPU Yield.

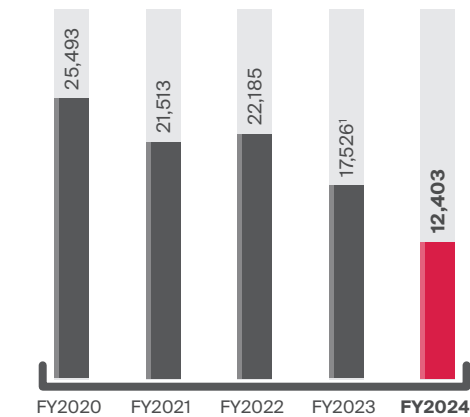
<sup>6</sup> Average Annual Return is computed based on total return per unit for the period averaged over number of years.

Past performance is not necessarily indicative of future performance, unit prices and investment returns may fluctuate.

Revenue and Net Property Income  
(RM'000)

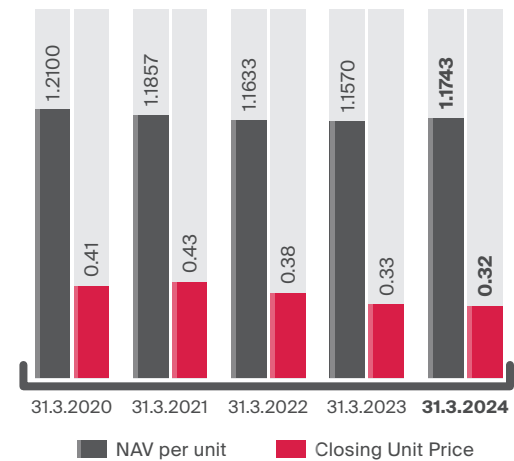


Realised Net Income  
(RM'000)

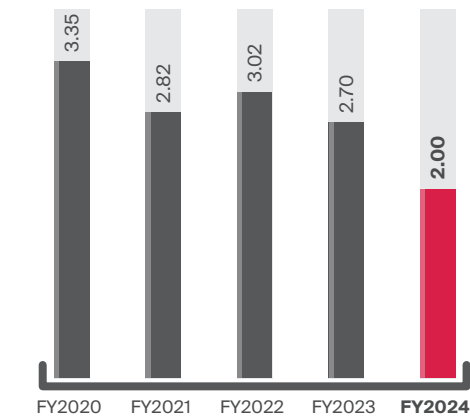


<sup>1</sup> Before the effect of realised loss on disposal of Menara AmFIRST

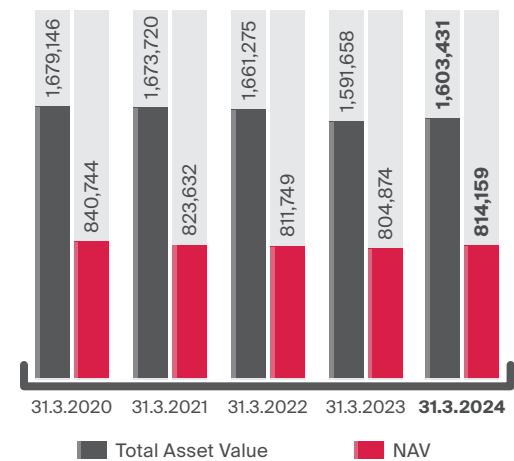
NAV Per Unit and Closing Unit Price  
(RM)



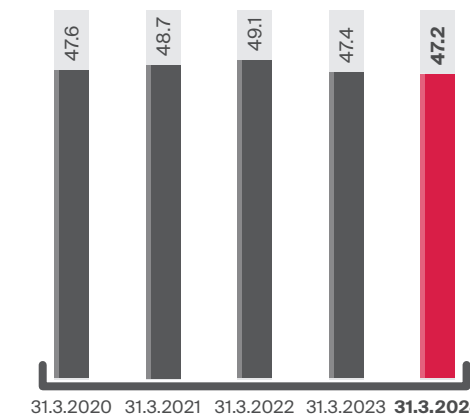
Distribution Per Unit  
(Sen)



Total Asset Value and NAV  
(RM'000)



Gearing  
(%)





MANAGEMENT DISCUSSION AND ANALYSIS

Portfolio and Investment Review

NO. OF PROPERTIES



Properties located in Kuala Lumpur, Petaling Jaya, Subang Jaya, Cyberjaya, Melaka and Penang.

NET LETTABLE AREA (NLA)



Encompasses office, retail, hotel and hypermarket sub-sectors.

PROPERTY PORTFOLIO VALUATION



1.1% increase in capital value year-on-year, largely attributed to increase in valuation of The Summit Subang USJ, resulted from higher occupancies.

<sup>1</sup> Before the accounting adjustment for accrued unbilled rental income as required by MFRS 140 *Investment Properties*.

As at 31 March 2024, the Trust's property portfolio stood at eight properties with a total net lettable area of approximately 3.1 million sq ft, (with office spaces of approximately 1.7 million in NLA, 1.1 million NLA of retail spaces and 0.3 million NLA of hotel space). There were no new acquisitions or disposals during the current financial year.

During the current financial year, the Trust's property portfolio was revalued upward to RM1.59 billion<sup>1</sup>, with all properties recorded an increase in their respective capital value. The carrying value of the Trust's investment properties of RM1.59 billion accounted for approximately 97% of the Trust's total assets value.

The Manager's investment strategy aims to acquire properties that are yield-accretive and can generate long-term returns with stable growth potential in terms of rental yield and capital values. The Manager will continue with its investment strategy to restructure the Trust's property portfolio through the divestment of low-yielding and non-core assets to reduce gearing before acquiring high-yielding assets with the objective of diversifying and improving property portfolio performance.

Our acquisition strategy is based on the following criteria:

- Yield-accretive.
- Good location.
- Healthy tenants mix and occupancy level.
- Value-add opportunities.
- Quality building and facilities specifications.

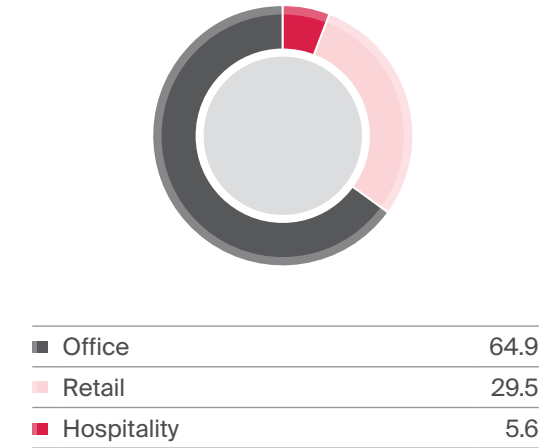
AmFIRST REIT intends to hold its properties on a long-term basis. At any opportune time when there are offers to acquire any of the properties which has reached a stage where it offers limited scope for growth, we may consider selling the property and utilise the proceeds for alternative investments that will add value to the Trust's asset portfolio or to optimise the gearing level.

Composition of Investment Properties

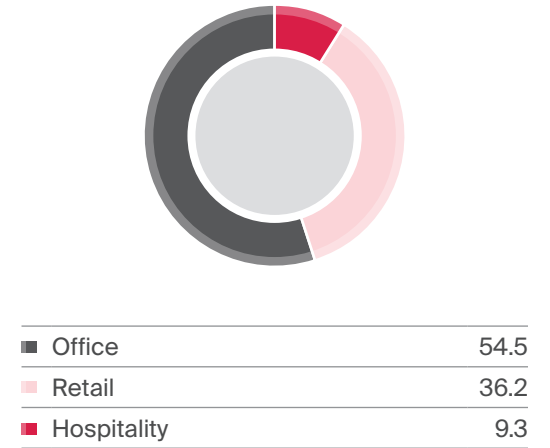
Properties	Location	Sector	Net Lettable Area (sq ft)	Property Valuation		Change %
				31 March 2024 RM'000	31 March 2023 RM'000	
Bangunan AmBank Group	Kuala Lumpur	Office	360,166	266,600	266,500	0.03
Menara AmBank	Kuala Lumpur	Office	453,962	322,600	322,400	0.1
Wisma AmFIRST	Kelana Jaya	Office	295,082	114,300	114,000	0.3
The Summit Subang USJ	Subang Jaya	Mixed Development	995,040	375,000	359,600	4.3
Prima 9	Cyberjaya	Office	111,150	72,100	72,000	0.1
Prima 10	Cyberjaya	Office	100,272	61,800	61,600	0.3
Jaya 99	Melaka	Office	212,067	101,200	101,100	0.1
Mydin Hypermall <sup>1</sup>	Bukit Mertajam	Retail	536,507	277,000	276,000	0.4
Total			3,064,246	1,590,600	1,573,200	1.1

<sup>1</sup> Latest valuation for Mydin Hypermall was before the adjustment for accrued unbilled rental income of RM32.8 million.

Valuation of Investment Properties by Sector (%)  
As at 31 March 2024







Net Lettable Area by Sector (%)  
As at 31 March 2024









Asset Profile

At A Glance

				
	Bangunan AmBank Group	Menara AmBank	Wisma AmFIRST	Jaya 99
Address	No. 55, Jalan Raja Chulan 50200 Kuala Lumpur	No.8, Jalan Yap Kwan Seng 50450 Kuala Lumpur	Jalan SS 7/15 (Jalan Stadium) 47301 Kelana Jaya Selangor Darul Ehsan	No. 99, Jalan Tun Sri Lanang 75100 Melaka
Description of Property	26-storey purpose-built office building with 3 levels of basement carpark	46-storey purpose-built office building, with 7 levels of elevated carpark	Two blocks of 16-storey purpose-built office building with carpark space located at basement level, level 1 to 5	6-storey podium block comprising retail, mechanical and electrical services on the ground floor, carpark area from the 1st to 5th floors (inclusive) and convention facilities on the 6th floor and 2 office towers identified as Tower A comprising 9 floors and Tower B comprising 10 floors.
Land Title	Title No. Pajakan Negeri 4512 Lot No. 1200 Section 57 Town and District of Kuala Lumpur State of Federal Territory of Kuala Lumpur	Title No. Geran 52468 Lot No. 140, Section 44 Town and District of Kuala Lumpur State of Federal Territory of Kuala Lumpur	Title No. HSM 8547 Lot No. PT 5135 Mukim of Damansara District of Petaling State of Selangor Darul Ehsan	Title No. HS(D) 68894 Lot No. PT 45 Kawasan Bandar XVIII District of Melaka Tengah State of Melaka
Tenure	Leasehold 99 years expiring on 3 June 2084 (unexpired term of approximately 60 years)	Freehold	Leasehold of 99 years expiring on 19 February 2094 (unexpired term of approximately 70 years)	Leasehold 99 years expiring on 7 October 2109 (unexpired term of approximately 85 years)
Encumbrance	Nil	First and Second Party Legal Charge	Lien Holder's Caveat	First Party Legal Charge
Year of Completion	1987	1997	2001	2011
Age of Building	37 years	27 years	23 years	13 years
Net Lettable Area	360,166 sq ft	453,962 sq ft	295,082 sq ft	212,067 sq ft
Existing Use	Commercial Office	Commercial Office	Commercial Office	Commercial Office
Carpark	522	557	645	551
Number of Tenant	15	19	22	12
Date of Acquisition	21 December 2006	21 December 2006	21 June 2007	1 November 2012
Acquisition Cost	RM180.2 million	RM230.2 million	RM86.1 million	RM87.2 million
Latest Revaluation	RM266.6 million	RM322.6 million	RM114.3 million	RM101.2 million
Date of Revaluation	9 January 2024	10 January 2024	11 January 2024	10 January 2024
Occupancy Rate	93.4%	70.2%	79.9%	85.1%
Gross Revenue	RM21.6 million	RM19.6 million	RM8.7 million	RM6.9 million
Net Property Income	RM13.9 million	RM9.4 million	RM4.3 million	RM4.1 million
Major Capital Expenditure	RM0.4 million	RM1.5 million	RM0.2 million	RM0.3 million
Average Tenancy Period	3 years	3 years	3 years	2 - 3 years
Independent Valuer	Messrs Cheston International (KL) Sdn Bhd	Messrs Cheston International (KL) Sdn Bhd	Messrs Cheston International (KL) Sdn Bhd	Messrs Cheston International (KL) Sdn Bhd
Property Manager	Knight Frank Property Management Sdn Bhd	Knight Frank Property Management Sdn Bhd	Savills (KL) Sdn Bhd	Rahim & Co. International Sdn Bhd

				
	Prima 9	Prima 10	The Summit Subang USJ	Mydin Hypermall
Address	Prima Avenue II, Block 3547 Persiaran Apec 63000 CyberJaya Selangor Darul Ehsan	Prima Avenue II Block 3544, Persiaran Apec 63000 Cyberjaya Selangor Darul Ehsan	Persiaran Kewajipan, USJ 1, 47600 Subang Jaya Selangor Darul Ehsan	Jalan Baru 14000 Bukit Mertajam Pulau Pinang
Description of Property	7-storey purpose-built office building, with 2 levels of basement carpark	7-storey purpose-built office building, with 2 levels of basement parking	An integrated development consists of part of a stratified 6-level shopping mall with 3-level of basement carparks comprising level 1 to 6 (inclusive) known as The Summit USJ Shopping Mall, a stratified 13-level office tower comprising level 9 to 21 (inclusive) known as Menara Summit, a stratified 19-level hotel with a mezzanine level comprising of level 1, 5 and 6 and 7 to 22 (inclusive) known as The Summit Hotel Subang Jaya and a stratified 3-level basement car park known as The Summit Subang USJ Car Park being part of The Summit Subang USJ.	3-storey wholesale hypermarket with 3-storey mezzanine floor
Land Title	Title No. GRN 207783 Lot 23582 Mukim of Dengkil District of Sepang State of Selangor	Title No. GRN 207774 Lot 23589 Mukim of Dengkil District of Sepang State of Selangor Darul Ehsan	Title No. GRN 43528 Lot 14, Pekan Subang Jaya District of Petaling State of Selangor Darul Ehsan	Title No. GRN 173212 Lot No. 10413, Mukim 6 District of Seberang Perai Tengah State of Penang
Tenure	Freehold	Freehold	Freehold	Freehold
Encumbrance	Nil	First Party Legal Charge	Lien Holder's Caveat	First Party Legal Charge
Year of Completion	2009	2010	1998	2015
Age of Building	15 years	14 years	26 years	9 years
Net Lettable Area	111,150 sq ft	100,272 sq ft	<ul style="list-style-type: none"><li>Retail - 572,643 sq ft</li><li>Office - 135,797 sq ft</li><li>Hotel - 286,600 sq ft</li></ul>	536,507 sq ft
Existing Use	Commercial Office	Commercial Office	Commercial Office, Hotel and Retail Mall	Commercial Retail
Carpark	418	317	1,952	<ul style="list-style-type: none"><li>Carpark - 1,461</li><li>Motorcycle - 1,118</li></ul>
Number of Tenant	4	2	<ul style="list-style-type: none"><li>Retail - 61</li><li>Office - 13</li><li>Hotel - 1</li></ul>	1
Date of Acquisition	30 November 2011	30 November 2011	31 March 2008	29 January 2016
Acquisition Cost	RM72.9 million	RM61.7 million	RM280.1 million	RM254.1 million
Latest Revaluation	RM72.1 million	RM61.8 million	RM375.0 million	RM277.0 million <sup>1</sup>
Date of Revaluation	9 January 2024	9 January 2024	3 January 2024	3 January 2024
Occupancy Rate	48.5%	83.9%	<ul style="list-style-type: none"><li>Retail - 89.0%</li><li>Office - 70.8%</li><li>Hotel - 100.0%</li></ul>	100.0%
Gross Revenue	RM2.7 million	RM4.0 million	RM17.0 million	RM20.9 million
Net Property Income	RM1.5 million	RM2.2 million	RM1.0 million	RM20.8 million
Major Capital Expenditure	RM0.2 million	RM0.2 million	RM2.0 million	Nil
Average Tenancy Period	2 - 3 years	2 - 3 years	1 to 3 years	30 years from 1 February 2016 (Remaining lease term of 22 years)
Independent Valuer	Messrs Cheston International (KL) Sdn Bhd	Messrs Cheston International (KL) Sdn Bhd	Messrs VPC Alliance (PJ) Sdn Bhd	Messrs VPC Alliance (PJ) Sdn Bhd
Property Manager	CBRE WTW Property Service Sdn Bhd	CBRE WTW Property Service Sdn Bhd	Knight Frank Property Management Sdn Bhd	Savills (KL) Sdn Bhd

<sup>1</sup> Before the adjustment of accrued unbilled rental income.

Asset Profile



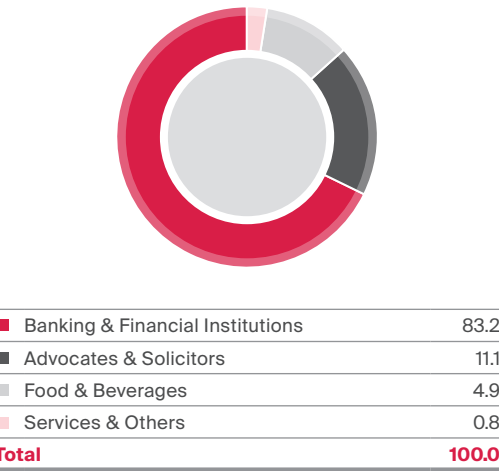
Bangunan AmBank Group

Bangunan AmBank Group is located along Jalan Raja Chulan, within the prime commercial centre of the Kuala Lumpur Golden Triangle, making it easily accessible from various parts of Kuala Lumpur city centre.

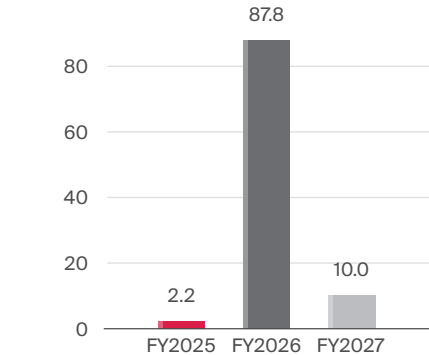
Surrounded by modern high-rise purpose-built office and commercial buildings, local and international class hotels, exclusive shopping malls and luxury residential complexes, the area exudes a vibrant commercial atmosphere.

A prominent landmark in close proximity is the iconic Kuala Lumpur Tower (KL Tower), just a short walk away to the property.

TENANTS' TRADE MIX ANALYSIS BY NLA (%)  
As at 31 March 2024



TENANCY EXPIRY PROFILE BY NLA (%)  
As at 31 March 2024



MAJOR TENANTS BY NLA  
As at 31 March 2024

- AmBank Group
- Shook Lin & Bok
- Syed Alwi, Ng & Co.
- Malaysian South-South Corporation
- Dr. Azlina Healthcare Sdn Bhd



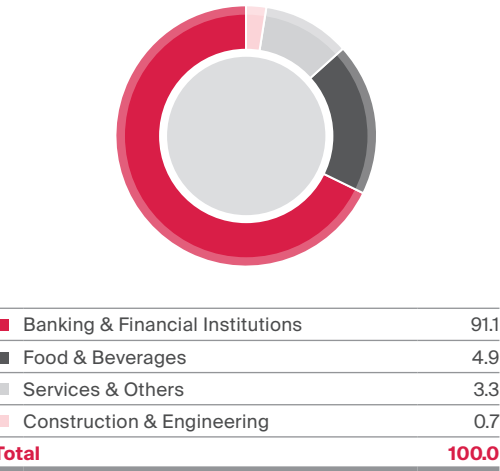
Menara AmBank

Menara AmBank is located along Jalan Yap Kwan Seng, within the heart of the Kuala Lumpur Golden Triangle and is easily accessible from various parts of the city centre via Jalan Ampang and Jalan Tun Razak.

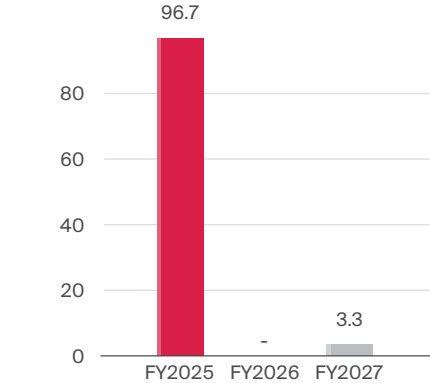
Surrounded by modern high-rise purpose-built office and commercial buildings, premier shopping complexes, upscale high-rise condominiums/ service apartments as well as international hotels, the property enjoys a dynamic urban environment.

Adding to its appeal, the iconic KLCC Twin Towers stand as a notable landmark within walking distance from the property.

TENANTS' TRADE MIX ANALYSIS BY NLA (%)  
As at 31 March 2024



TENANCY EXPIRY PROFILE BY NLA (%)  
As at 31 March 2024



MAJOR TENANTS BY NLA  
As at 31 March 2024

- AmBank Group
- Summer Healthcare Group Sdn Bhd
- Horeb Services Sdn Bhd
- Samsung Engineering (M) Sdn Bhd
- MBf Protection Services Sdn Bhd



Asset Profile



Wisma AmFIRST

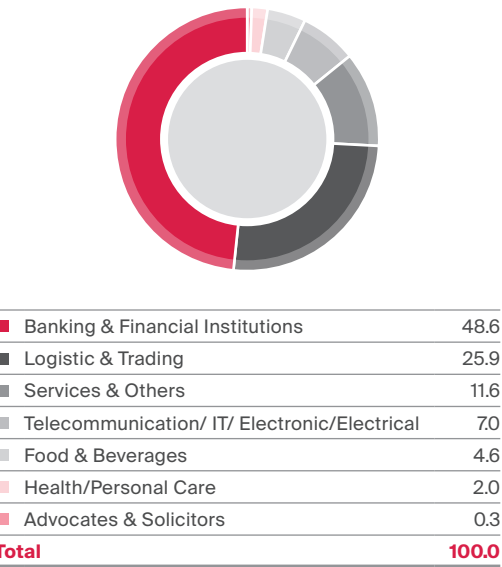
Wisma AmFIRST is nestled within SS7, Kelana Jaya, offering convenient access from Kuala Lumpur city centre via the North Klang Valley Expressway (NKVE), Lebuhraya Damansara-Puchong (LDP) and the Federal Highway. The property is within 10 minutes walking distance from the Glenmarie LRT station and 10 minutes driving distance from the Sultan Abdul Aziz Shah Airport (formally Subang Airport).

The surrounding area boasts a diverse mix of purpose-built office and commercial buildings, residential apartments and condominiums, detached houses and shopping malls.

Notable landmarks in the vicinity include the MBPJ Stadium, Kelana Jaya Recreational Park and Royal Selangor Golf Club.

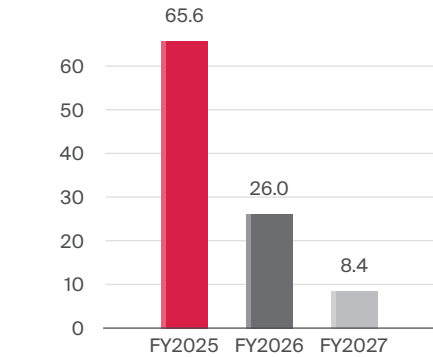
TENANTS' TRADE MIX ANALYSIS BY NLA (%)

As at 31 March 2024



TENANCY EXPIRY PROFILE BY NLA (%)

As at 31 March 2024



MAJOR TENANTS BY NLA

As at 31 March 2024

- AmBank (M) Berhad
- Swisslog Malaysia Sdn Bhd
- Expeditors (Malaysia) Sdn Bhd
- Asian Business Software Solutions Sdn Bhd
- GAC Cargo Systems (M) Sdn Bhd



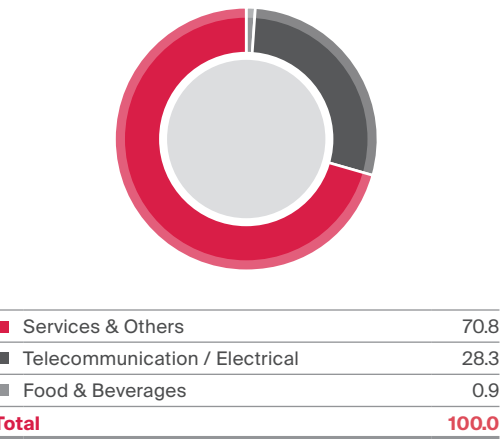
Jaya 99

Jaya 99 is located along Jalan Tun Sri Lanang, approximately 800 meters north of Melaka town. The immediate area boasts a commercial ambience, featuring purpose-built office and commercial buildings, alongside a mix of local and international hotels, shopping complexes and shop offices.

Notable landmarks in the vicinity include the elevated Melaka monorail, Hang Jebat Monorail Station, Terminal Melaka Sentral and Melaka - Dumai Ferry Terminal.

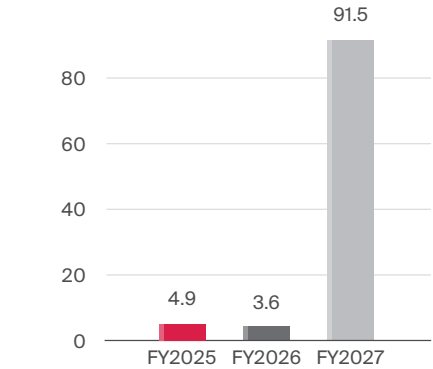
TENANTS' TRADE MIX ANALYSIS BY NLA (%)

As at 31 March 2024



TENANCY EXPIRY PROFILE BY NLA (%)

As at 31 March 2024



MAJOR TENANTS BY NLA

As at 31 March 2024

- Prudential Assurance Malaysia Berhad
- Sudong Sdn Bhd
- AIA Berhad
- SATS Services Sdn Bhd
- Ernst & Young Consulting Sdn Bhd



Asset Profile



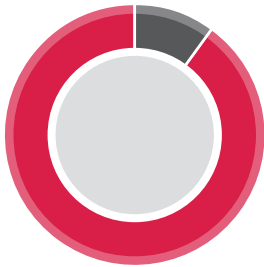
Prima 9

Prima 9 is located along Persiaran Apec within Cyberjaya, approximately 40 kilometres south-west of Kuala Lumpur city centre. It enjoys easy accessibility via the Kuala Lumpur–Putrajaya/ Cyberjaya Expressway, also known as the Maju Expressway (MEX).

Conceptualised as an IT-theme township, Cyberjaya is Malaysia’s first Multimedia Super Corridor. All purpose-built office and commercial buildings are accredited MSC status.

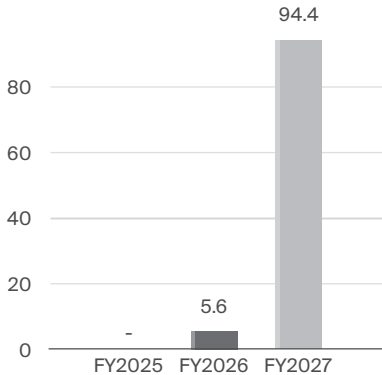
These buildings accommodate local and multinational IT-based companies including Tesla, IBM, Shell IT, Ericsson, HSBC, Nokia, EDS, DHL, Vivanova Systems, etc.

TENANTS’ TRADE MIX ANALYSIS  
BY NLA (%)  
As at 31 March 2024



■ Services & Others	89.8
■ Telecommunication / IT	10.2
<b>Total</b>	<b>100.0</b>

TENANCY EXPIRY PROFILE BY NLA (%)  
As at 31 March 2024



MAJOR TENANTS BY NLA  
As at 31 March 2024

- Medical Device Authority-Ministry of Health Malaysia
- Accord Innovations Sdn Bhd
- Airasia Berhad



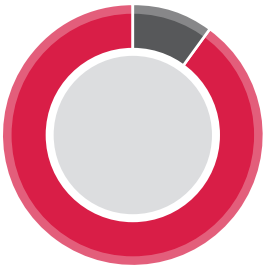
Prima 10

Prima 10 is located along Persiaran Apec within Cyberjaya, approximately 40 kilometres south-west of Kuala Lumpur city centre. It enjoys easy accessibility via the Kuala Lumpur–Putrajaya/ Cyberjaya Expressway, also known as the Maju Expressway (MEX).

Conceptualised as an IT-theme township, Cyberjaya is Malaysia’s first Multimedia Super Corridor. All purpose-built office and commercial buildings are accredited MSC status.

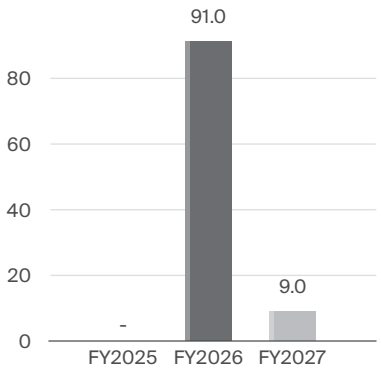
These buildings accommodate local and multinational IT-based companies including Tesla, IBM, Shell IT, Ericsson, HSBC, Nokia, EDS, DHL, Vivanova Systems, etc.

TENANTS’ TRADE MIX ANALYSIS  
BY NLA (%)  
As at 31 March 2024



■ Services & Others	91.0
■ Telecommunication / IT	9.0
<b>Total</b>	<b>100.0</b>

TENANCY EXPIRY PROFILE BY NLA (%)  
As at 31 March 2024



MAJOR TENANTS BY NLA  
As at 31 March 2024

- CACEIS Malaysia Sdn Bhd
- Quest Software Technology Systems Sdn Bhd



Asset Profile



The Summit Subang USJ

The Summit Subang USJ is strategically positioned within the bustling commercial center of UEP Subang Jaya, which stands as one of the key matured townships in the Klang Valley. It enjoys seamless connectivity to Kuala Lumpur city center and its outskirts through a network of highways and expressways, including Lebuhraya Shah Alam (KESAS), the Federal Highway, the New Pantai Expressway (NPE) and Lebuhraya Damansara-Puchong (LDP).

Surrounded by a predominantly commercial landscape, the immediate vicinity boasts purpose-built office and commercial buildings, showrooms, service apartments and condominiums, hotels and shop offices. Notable landmarks in the area include Monash University Malaysia, Majlis Perbandaran Subang Jaya (MPSJ) and Sunway Lagoon Theme Park.

The larger locality encompasses commercial developments in Bandar Sunway, SS15 and SS16 Subang Jaya and Bandar Puchong Jaya, contributing to the vibrant commercial ecosystem surrounding the property.

TENANTS' TRADE MIX ANALYSIS  
BY NLA (%)  
As at 31 March 2024



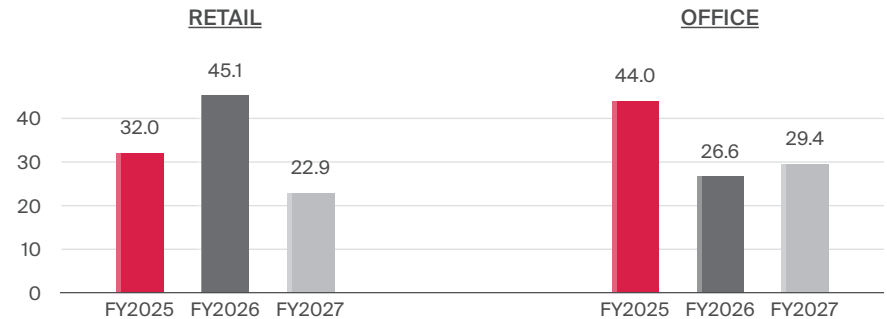
Services & Others	35.9
Telecommunication / Electrical	28.0
Logistic & Trading	14.0
Education / Enrichment / College	14.0
Health / Personal Care / Beauty	8.1
<b>Total</b>	<b>100.0</b>

TENANTS' TRADE MIX ANALYSIS  
BY NLA (%)  
As at 31 March 2024



Leisure / Entertainment / Karaoke / Cinema / Bowling / Sport / Fitness	33.9
Home & Living / Home Deco / Electrical / DIY	25.6
Education / Enrichment / College	15.5
Anchor (Hypermarket/Supermarket)	9.9
Food & Beverages	6.1
Health / Personal Care / Beauty	3.6
Hobbies / Jewellery / Optical / Time Piece / Gifts & Specialty	2.1
Services & Others	1.8
Fashion Apparel	1.5
<b>Total</b>	<b>100.0</b>

TENANCY EXPIRY PROFILE BY NLA (%)  
As at 31 March 2024



MAJOR TENANT BY NLA  
As at 31 March 2024

RETAIL

- NSK Grocer (KL) Sdn Bhd
- Home Product Center (M) Sdn Bhd
- Fun-X World Sdn Bhd
- IMC Education Sdn Bhd
- Global One World Bowler Sdn Bhd

OFFICE

- Salcon Resources Sdn Bhd
- Bakat Pintar Sdn Bhd
- MS Tower (MYS) Sdn Bhd
- CMA CGM (M) Sdn Bhd
- Home Product Center (M) Sdn Bhd



Asset Profile



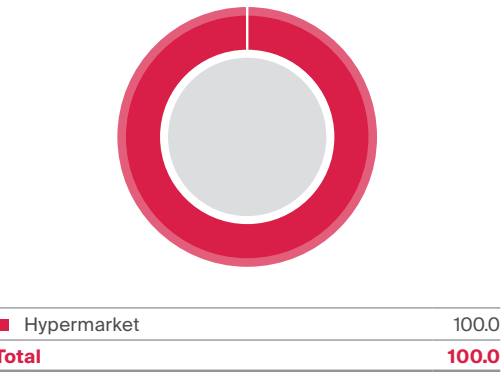
Mydin Hypermall

Mydin Hypermall is strategically located along Jalan Baru, the main service road connecting Bukit Mertajam and Butterworth towns in Penang. These two towns are currently undergoing rapid development on the mainland of Penang, driven by the growing demand for housing.

Furthermore, the property is also strategically located in close proximity to transportation hubs and major highways, including Butterworth Ferry Terminal, Lebuhraya Lingkaran Luar Butterworth and the North-South Expressway.

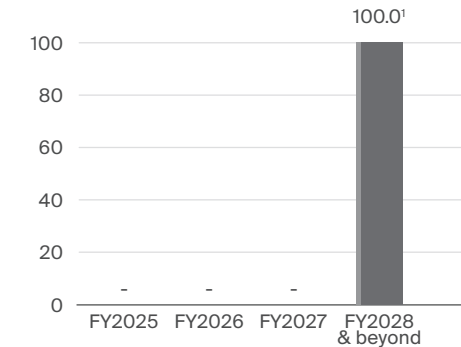
TENANTS' TRADE MIX ANALYSIS BY NLA (%)

As at 31 March 2024



TENANCY EXPIRY PROFILE BY NLA (%)

As at 31 March 2024



<sup>1</sup> 30 years uncancellable operating lease agreement commencing from 1 February 2016 and expiring 31 January 2046 with Mydin Mohamed Holdings Berhad.

MAJOR LEASEE BY NLA

As at 31 March 2024

- Mydin Mohamed Holdings Berhad

Leasing Management

Operating Strategy

Our operating strategy is to continue to enhance the performance of the Trust's properties by increasing yields and returns through retaining existing tenants, reducing vacancy levels, adding and/or optimising lettable space, minimizing interruptions in rental income and operational costs, and maintaining satisfactory service levels to tenants.

The following key operating and management principles will be applicable:

- Improve rental rates.
- Establish close relationships with tenants to ensure tenants' retention.
- Diversify tenants' base.
- Review tenants trade mix and re-configure existing space to meet tenants' expectations.
- Maintain high quality properties.
- Maximise the performance of each property.
- Improve operating efficiencies and customer service levels.
- Raise the profile of the properties.

The overall portfolio occupancy rate as at 31 March 2024 has increased by 2.1% to 84.7% from 82.6% as at 31 March 2023.

The Trust has also successfully retained a total of 91.9% of the expiring NLA for FY2024.

During FY2024, we signed-up fifteen new tenants, totalling 100,027 sq ft of NLA, including major tenants such as NSK Grocer, Fun-X Golf and Stemberry.

We will continue to intensify our leasing efforts by enhancing engagement activities with real estate agencies, adaptation of digital marketing, and offering attractive and flexible tenancy terms to attract new prospective tenants to further improve the occupancy of the Trust's properties.

We are also committed to conducting frequent tenant engagement activities to strengthen landlord-tenant relationship, secure higher rate of tenant retention and explore potential tenant's expansion plan.

Bangunan AmBank Group

Bangunan AmBank Group maintain its high occupancy of 93.4%. AmBank Group remains as the anchor tenant, occupying approximately 78% of the total NLA with weighted average lease expiry (WALE) of 1.5 years.


Menara AmBank

Occupancy rate of Menara AmBank was at 70.2%. AmBank Group remains the anchor tenant, occupying approximately 91% of the total NLA with WALE of 1.0 year. An international brand co-working centre, which will contribute approximately 3% of the occupied NLA, is currently in the pipeline to occupy a full floor and is targeted to be completed and operational in 2nd half of 2024.

Key Highlights and Achievements in FY2024

 **8** PROPERTIES

 **3.1 million sq ft** NET LETTABLE AREA

 **84.7%** OVERALL PORTFOLIO OCCUPANCY

 **91.9%** TENANT RETENTION

 **100,027 sq ft** NEW TENANTS

MANAGEMENT DISCUSSION AND ANALYSIS

Leasing Management

Wisma AmFIRST

Occupancy rate decreased to 79.9% as at 31 March 2024, from 89.8% as at 31 March 2023 due to the non-renewal of one of the major tenants. AmBank Group remains the anchor tenant, occupying approximately 39% of the total NLA with WALE of 1.0 year.

The Summit Retail

Despite the challenging retail industry in Malaysia and stiff competition from other shopping malls, especially those within the vicinity of The Summit Retail Mall, the occupancy rate of The Summit Retail Mall improved from 72.0% as at 31 March 2023 to 89.0% as at 31 March 2024.

This marks continued improvement from the previous financial year, soon after the reopening of the economy and transition from pandemic to endemic phase since April 2022. The occupancy rate as at 31 March 2022 was 60.8% back then.

During FY2024, The Summit Retail Mall secured NSK Grocer, occupying approximately 50,000 sq ft on the lower ground floor. NSK Grocer commenced their business on 16 December 2023.

Other notable new tenants signed and commenced business in FY2024 include Fun-X Golf, Stemberry, Niche 147 Snooker Academy, B&G Recipe, Kampung-Lah by Food Network and Pet Outlet.

In addition, the Summit Management Corporation signed Food Network, a new mini anchor that took up substantial common areas by setting-up an F&B corner with a string of outlets at the mall. These new tenancies have further rejuvenated the tenant trade mix and increased the vibrancy of the mall.

On another note, the carpark system in The Summit Retail Mall has been upgraded to cashless system with license plate recognition since August 2023, on par with some of the top malls in Malaysia. Additionally, EV charging stations are being installed as new amenity for shoppers’ convenience to charge their electric vehicles.

The Summit Office

The occupancy rate decreased slightly from 73.4% as at 31 March 2023 to 70.8% as at 31 March 2024. In an effort to improve the marketability of this property, the Summit Management Corporation has approved to undertake the refurbishment of the current main lobby to a more refreshed modern look.

The Summit Hotel

The rental collection from the current lease is based on a percentage sharing of the hotel’s total gross revenue. Currently, the revenue from The Summit Hotel has not been encouraging due to its current conditions and stiff competitions from nearby hotels.

The Summit Hotel is a business hotel generating revenues from the room occupancy primarily from government and corporate guests, as well as F&B revenue from MICE activities. Due to the hotel's age and conditions, we are planning to refurbish and rebrand the hotel to boost its marketability with the objective to improve its yield.

Jaya 99

Occupancy rate of Jaya 99 had improved from 73.8% reported as at 31 March 2023 to 85.1% as at 31 March 2024. The increase in the occupancy rate was mainly due to new tenancies such as UTS Marketing Solution, Brew Kopi and Leypark @ Infasha.

Prima 9

As at 31 March 2024, occupancy rate of Prima 9 improved slightly by 1.8% to 48.5%, from 46.7% recorded as at 31 March 2023. The increase was attributed to a new tenant signed-up during the current financial year. This property will also be housing an international brand co-working centre by 2nd half of 2024, which will further boast the occupancy rate by 13.7%.

Prima 10

Prima 10's occupancy rate remains unchanged at 83.8%, the same rate since a year earlier. CACEIS Malaysia Sdn Bhd is the anchor tenant, occupying approximately 91% of the occupied NLA.

Mydin Hypermall, Bukit Mertajam

Mydin Hypermall is fully leased to Mydin Mohamed Holdings Berhad for thirty years commencing from 1 February 2016 to 31 January 2046. Pursuant to the lease agreement, the lease rental receivable is incremental by 10% every five years from the commencement date of 1 February 2016, up to the term of 30 years. This uncancellable operating lease provides revenue stability for the Trust.

As at 31 March 2024, the remaining lease term stood at about 22 years.

Occupancy Rate by Building (%)

	Overall Portfolio Occupancy (%)		Committed Occupancy (%)
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024
Bangunan AmBank Group	93.4	98.3	93.4
Menara AmBank	70.2	73.9	70.2
Wisma AmFIRST	79.9	89.8	82.7
The Summit Office	70.8	73.4	63.4
The Summit Retail	89.0	72.0	89.1
Prima 9	48.5	46.7	48.5
Prima 10	83.8	83.8	83.8
Jaya 99	85.1	73.8	85.1
Mydin Hypermall, Bukit Mertajam	100.0	100.0	100.0
Overall Portfolio	84.7	82.6	84.6

Tenancy Renewal and Rental Reversion

Amidst the challenging business environment, the Trust managed to attain a commendable tenant retention rate of 91.9% or 443,352 sq ft renewed, out of the 482,376 sq ft that were expired in FY2024, with average net positive rent reversion of 5.2%. The remaining non-renewed NLA of approximately 8.1% of the total NLA expired in FY2024, is equivalent to 39,024 sq ft or six tenancies across various assets.

Tenancy Expiry Profile

As at 31 March 2024, the total leased area due for renewal over next three years is 2.6 million sq ft, representing 83.9% of the total NLA of 3.1 million sq ft. In the immediate FY2025, 955,077 sq ft or 37.1% of the total leased area are due for renewal.

	Leased Area due for Renewal	%
FY2025	955,077	37.1
FY2026	680,093	26.4
FY2027	400,741	15.6
FY2028 and Beyond	536,507	20.9
Total	2,572,418	100.0

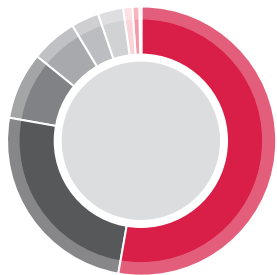
Tenancy Trade Mix Analysis

The Trust has a diverse tenant base across various business sectors for office spaces, including banking, services, information technology, logistics, advocates & solicitors, Health/Personal Care and construction staples. This diversification augurs well in our efforts to diversify risk exposure.

MANAGEMENT DISCUSSION AND ANALYSIS

Leasing Management

Tenant Trade Mix for Office Component (%)  
As at 31 March 2024



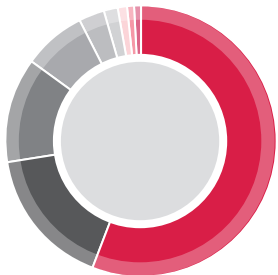
■ Banking & Financial Institutions	52.9
■ Services & Others	25.0
■ Telecommunication / IT / Electronic & Electrical	8.1
■ Logistic	5.6
■ Food & Beverages	3.4
■ Advocate & Solicitors	3.0
■ Health / Personal Care	0.9
■ Education / Enrichment / College	0.9
■ Construction & Engineering	0.2
<b>Total</b>	<b>100.0</b>

Key Tenants

The Trust's top ten tenants by rental income contributed 74.3% to the total rental income in FY2024, with AmBank Group continues to remain the top revenue contributor, accounting for 38.2% of the total rental income generated in FY2024.

Names	Trade Sectors	% Leased Area over occupied NLA
AmBank Group	Banking & Financial Institutions	38.2
Mydin Mohamed Holdings Berhad	Hypermarket	20.6
CACEIS Malaysia Sdn Bhd	Services	4.4
Prudential Assurance Malaysia Berhad	Services	2.5
Medical Device Authority - Ministry of Health Malaysia	Services	2.1
Sudong Sdn Bhd	Services	1.5
Shook Lin & Bok	Advocates & Solicitors	1.5
Summit Hotels Management Sdn Bhd	Hospitality	1.4
AIA Berhad	Services	1.1
Home Product Center (Malaysia) Sdn Bhd	Home & Living / Home Deco / Electrical / DIY	1.0
<b>Total</b>		<b>74.3</b>

Tenant Trade Mix for Retail Component (%)  
As at 31 March 2024



■ Anchor (Hypermarket / Supermarket)	56.1
■ Leisure / Entertainment / Sport / Fitness	16.5
■ Home & Living / Home Deco / Electrical / DIY	12.5
■ Education / Enrichment / College	7.6
■ Food & Beverages	3.0
■ Health / Personal Care / Beauty	1.7
■ Hobbies / Jewellery / Optical, Time Piece / Gifts & Specialty	1.0
■ Services & Others	0.9
■ Fashion Apparel	0.7
<b>Total</b>	<b>100.0</b>

Asset Management

Malaysia's inflation has been well restrained by the government subsidies and price controls, thus, the direct impact to operational concerns of the Trust is the increase in material costs and services once subsidies are slowly removed, coupled with the enforcement of the 8% sales and service tax.

There is a continued demand for good quality buildings incorporating green building features. The ESG elements within the buildings play a big role in attracting new multinational corporations and international organisations.

To this end, we have continued implementing various ESG initiatives to improve the green features of the Trust's properties. In December 2023, Menara AmBank was awarded a 2-Star Energy Management Gold Standard (EMGS) rating under the ASEAN Energy Management System. Efforts are also being made to obtain similar accreditation under EMGS rating for the remaining Trust's properties. We hope that with the efficient energy savings and energy management practices put in place, we can see further certifications to improve the attractiveness of the Trust's properties. We have also expedited the Property Managers in obtaining the Building Energy Labeling for all the Trust's properties to ensure compliance to the Building Energy Index (BEI), which is due for implementation by Suruhanjaya Tenaga in the coming years. BEI is the ratio of total amount of energy consumed by a building in a year over the built area of the building and is measured in kWh/m<sup>2</sup>/year.

The oversupply of purpose-built offices within Klang Valley has a downward pressure on occupancy rates and asking rentals. The new supply has widen the gap between older and newer office buildings. In improving the attractiveness of the Trust's office buildings to provide comfort and convenience to the tenants, as well as optimising property expenses particularly energy cost. We have embarked on the following key initiatives:

- (i) **Cashless Carpark System** to improve the Trust's cashflow streams and reduce carbon footprint from the use of ticketing machines. As part of this initiative, all existing ticketing machines across the Trusts carpark have been converted to support multiple cashless payment methods, facilitating seamless and eco-friendly transactions.
- (ii) **Replacement of lighting to LED lights.**
- (iii) **Review of contractual services** to optimize the cost of the various service providers.
- (iv) **Installation of descale system** to reduce the impurities and algae growth in the chilled water supply to reduce air-conditioning's electricity consumption in energy costs.
- (v) **Collaborating with co-working space operators** to setup their offices within the Trust's assets to tap into the already vast hybrid and flexible service office market.
- (vi) **Retrofitting of air-conditioning system from WCPU to Chilled Water System** to achieve significant savings in electricity charges and reduce the maintenance costs for the WCPU.
- (vii) **Installation of EV Charging Stations.**

We will continue to identify more initiatives in order to better improve our green elements desirability, as well as making the Trust's property portfolio more attractive to potential tenants.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Review

#### Selected Financial Information

	Financial Year Ended		Changes	
	2024	2023		
	RM'000	RM'000	RM'000	%
<b>Gross revenue</b>				
- Realised (existing eight properties)	<b>98,408</b>	97,799	609	0.6
- Realised (Menara AmFIRST)	-	2,609	(2,609)	(100.0)
- Unrealised (in relation to unbilled lease rental receivable) <sup>1</sup>	<b>3,021</b>	3,021	-	-
	<b>101,429</b>	103,429	(2,000)	(1.9)
Property expenses	<b>(44,218)</b>	(44,518)	300	0.7
<b>Net rental income</b>	<b>57,211</b>	58,911	(1,700)	(2.9)
Changes in fair value of investment properties	<b>9,591</b>	(2,604)	12,195	468.4
Capital loss on disposal of investment property	-	(4,652)	4,652	100.0
Interest expense	<b>(34,099)</b>	(31,234)	(2,865)	(9.2)
Non-property expenses	<b>(7,798)</b>	(7,243)	(555)	(7.7)
Profit before taxation	<b>24,360</b>	14,223	10,137	71.3
Taxation	<b>1,261</b>	(25)	1,286	5,186.7
<b>Profit after taxation</b>	<b>25,621</b>	14,198	11,423	80.4
<u>Profit after taxation is made up as follow:</u>				
- Realised net income from operations	<b>12,403</b>	17,526	(5,123)	(29.2)
- Realised capital loss from disposal of investment properties	-	(4,652)	4,652	100.0
- Unrealised	<b>13,218</b>	1,324	11,894	898.1
	<b>25,621</b>	14,198	11,423	80.4
<u>Distribution per unit (DPU) (Sen)</u>				
- Interim	<b>0.82</b>	1.14	(0.32)	(28.1)
- Final	<b>1.18</b>	1.56	(0.38)	(24.4)
	<b>2.00</b>	2.70	(0.70)	(25.9)
Distribution ratio (%), over realised net income	<b>111%</b>	106%	n/a	5%
Unit price (RM)	<b>0.32</b>	0.33	(0.01)	(3.0)
Distribution yield (%) (based on respective closing price)	<b>6.25%</b>	8.18%	N/A	(1.9%)

<sup>1</sup> This relates to the accrued unbilled rental income from Mydin Mohamed Holdings Berhad in respect of the 30 years' operating lease agreement as required by MFRS 140 *Investment Properties* and MFRS 16 *Leases*, recognised on straight-line basis.

#### Gross Revenue

In FY2024, the Trust achieved a slight increase in gross revenue from its existing eight properties by 0.6% over the same period of last financial year to RM98.4 million. This increase was driven by higher gross revenue from The Summit Retail, The Summit Carpark and Jaya 99, due to higher average occupancy. In addition, positive rental reversions achieved in some of the properties had contributed to higher gross revenue. However, the absence of gross revenue from Menara AmFIRST following its disposal and lower gross revenue from Wisma AmFIRST, Menara AmBank and Bangunan AmBank Group due to lower average occupancy resulting from non-renewal and downsizing of tenancies, has partially offset the higher rental contribution. The gross revenue also includes unrealised income related to accrued unbilled rental income pursuant to the requirement of MFRS 16 *Leases*.

#### Property Expenses

Property expenses were marginally lower by 0.7%, mainly due to the exclusion of property expenses from Menara AmFIRST following its completion of disposal on 15 November 2022, as well as lower repair and maintenance expenses. This decrease was partially offset by higher electricity expenses resulting from higher electricity surcharge and the absence of a service charge rebate from the Summit Management Corporation.

	Financial Year Ended		Changes	
	2024	2023		
	RM'000	RM'000	RM'000	%
Service Charge - The Summit Subang USJ	<b>12,872</b>	11,781	1,091	9.3
Building maintenance expenses	<b>8,444</b>	10,164	(1,720)	(16.9)
Utilities expense	<b>9,923</b>	9,535	388	4.1
Assessment and Rates	<b>5,756</b>	5,555	201	3.6
Property management fee and reimbursement	<b>4,102</b>	4,410	(308)	(7.0)
Other property expenses	<b>2,651</b>	2,595	56	2.2
Quit rent	<b>470</b>	478	(8)	(1.7)
<b>Total property expenses</b>	<b>44,218</b>	44,518	(300)	(0.7)

#### Interest Expense

In May 2023, BNM raised its key interest rate by 25 basis points, from 2.75% to 3.00%. Various increase in the OPR has raised the Trust's cost of debt, resulting in higher interest expense by RM2.9 million or 9.2% compared to the previous financial year.

#### Non-Property Expenses

Non-property expenses increased by RM0.6 million or 7.7% year-on-year, mainly due to lower reversal of provision for impairment loss on trade receivables. This increase was partly cushioned by lower Manager's fee of RM0.2 million during the current financial year.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Review

#### Fair Value Gain on Investment Properties

Pursuant to Chapter 10, Section 10.02(b)(i) of SC's Listed REIT's Guidelines, the Trust conducted a revaluation of all its eight investment properties and recorded a higher net appreciation in investment properties of RM12.6 million (before the effect of accrued unbilled rental income), compared to RM0.4 million recorded in last financial year. Higher fair value gain on investment properties was attributed to the upward revaluation of all eight properties, particularly higher revaluation of The Summit Subang USJ.

	As at 31 March 2024		Change	
	Fair Value RM'000	NBV <sup>3</sup> RM'000	RM'000	%
Office	1,032,600	1,032,248	352	0.03
Retail <sup>1</sup>	469,000	457,211	11,789	2.6
Hospitality <sup>2</sup>	89,000	88,529	471	0.5
<b>Fair value as at 31 March, as per valuation report</b>	<b>1,590,600</b>	<b>1,577,988</b>	<b>12,612</b>	<b>0.8</b>
Less : Accrued unbilled lease receivables	(32,800)	(32,800)	-	-
<b>Carrying value as at 31 March</b>	<b>1,557,800</b>	<b>1,545,188</b>	<b>12,612</b>	<b>0.8</b>

<sup>1</sup> Comprised of The Summit Retail and Mydin Hypermall, Bukit Mertajam

<sup>2</sup> The Summit Hotel

<sup>3</sup> Includes capital expenditure incurred up to 31 March 2024

#### Profit After Taxation

Overall, the Trust recorded higher profit after taxation of RM25.6 million, 80% increase compared to RM14.2 million recorded a year earlier, mainly due to higher unrealised fair value gain on investment properties. The profit after taxation comprised realised and unrealised net income of RM12.4 million and RM13.2 million respectively.

Excluding the unrealised fair value gain/(loss), the Trust generated lower realised net income available for income distribution of RM12.4 million, compared to RM17.5 million in the preceding financial year.

	Financial Year Ended		Changes	
	2024 RM'000	2023 RM'000	RM'000	%
Realised income from operations	12,403	17,526	(5,123)	(29.2)
Realised capital loss from disposal of investment property	-	(4,652)	4,652	100.0
<u>Unrealised gain/(loss)</u>				
Changes in fair value of investment properties	12,612	417	12,195	2,924.5
Fair value adjustment on derivative financial instruments	(470)	603	(1,073)	(178.1)
Gain/(Loss) on financial liabilities measures at amortised cost	(185)	329	(514)	(156.4)
Provision for deferred taxation	1,261	(25)	1,286	5,186.7
	13,218	1,324	11,894	898.0
<b>Profit after taxation</b>	<b>25,621</b>	<b>14,198</b>	<b>11,423</b>	<b>80.5</b>

#### Income Distribution

The Trust recorded a total income distribution of RM13.7 million or DPU of 2.00 sen for the current financial year, a decrease by 25.9% year-on-year, mainly caused by higher interest expense and energy costs. This year income distribution comprises of an interim income distribution of 0.82 sen per unit amounting to RM5.6 million and a final income distribution of 1.18 sen per unit amounting to RM8.1 million. This total income distribution of 2.00 sen per unit translated to an annual yield of approximately 6.25% based on the closing unit price of RM0.32 as at 31 March 2024.

	Financial Year Ended		Changes	
	2024 RM'000	2023 RM'000	RM'000	%
<b>Distributions</b>				
Interim income distribution	5,628	7,825	(2,197)	(28.1)
Final income distribution	8,100	10,708	(2,608)	(24.4)
Total distributions	13,728	18,533	(4,805)	(25.9)
<b>Distributions (sen per unit)</b>				
Interim income distribution	0.82	1.14	(0.32)	(28.1)
Final income distribution	1.18	1.56	(0.38)	(24.4)
Total distributions	2.00	2.70	(0.70)	(25.9)
<b>% distribution yield<sup>1</sup></b>	<b>6.25</b>	<b>8.18</b>	<b>-</b>	<b>(1.9)</b>
<b>% distributions over realised net income<sup>2</sup></b>	<b>111</b>	<b>106</b>	<b>-</b>	<b>4.9</b>

<sup>1</sup> Based on closing unit price as at end of financial year.

<sup>2</sup> Total income distribution for the current financial year include the utilisation of distributable undistributed income brought forward as at 1 April 2023.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Review

#### Selected Financial Information

	As at 31 March 2024 RM'000	As at 31 March 2023 RM'000	Change %
Investment properties	1,557,800	1,543,421	0.9
Trade receivables	3,643	8,529	(57.3)
Total asset value	1,603,431	1,591,658	0.7
Borrowings	757,312	754,127	0.4
Net asset value (NAV)	814,159	804,874	1.2
Gearing (%)	47.23	47.38	(0.1)
Closing unit price (RM)	0.320	0.330	(3.0)
Units in circulation (Units) ('000)	686,402	686,402	-
Market capitalisation	219,649	226,513	(3.0)
NAV per unit (RM)			
- Before proposed final distribution	1.1861	1.1726	1.2
- After proposed final distribution	1.1743	1.1570	1.5

#### Asset Under Management

As at end of the financial year 2024, the Trust's asset under management stood at approximately RM1,557.8 million, underpinned by a 3.1 million square feet of net lettable spaces. The asset value is marginally higher by 0.9% compared to the last financial year, mainly attributable to higher revaluation gain on investment properties of RM12.6 million. In FY2024, the Trust spent a total RM4.8 million in capital expenditures mainly at The Summit Subang USJ and Menara AmBank.

#### Trade Receivables

Trade receivables decreased significantly by RM4.9 million or 57.3%, to RM3.6 million compared to one year earlier. With improved collection efforts, the Trust continued to reverse the provision for impairment as debts were recovered through the settlement scheme from tenants.

#### Borrowings

Total borrowings were RM757.3 million, an increase by RM3.2 million or 0.4% compared to RM754.1 million as at 31 March 2023, mainly due to payments of the ongoing capital expenditures.

#### Net Asset Value

Net asset value stood at RM814.2 million, translated to NAV Per Unit of RM1.1861, representing an increase of 1.2% compared to 31 March 2023. The increase was mainly attributed to upward revaluation of investment properties by 1.1% or RM12.6 million year-on-year.

#### Unit Price and Market Capitalisation

Unit price registered a marginal decrease from the opening price as at 1 April 2023 of RM0.33 to a closing price of RM0.32 as at 31 March 2024. Based on the closing unit price of RM0.32 and 686,401,600 units in circulation, market capitalisation as at 31 March 2024 was RM219.6 million.



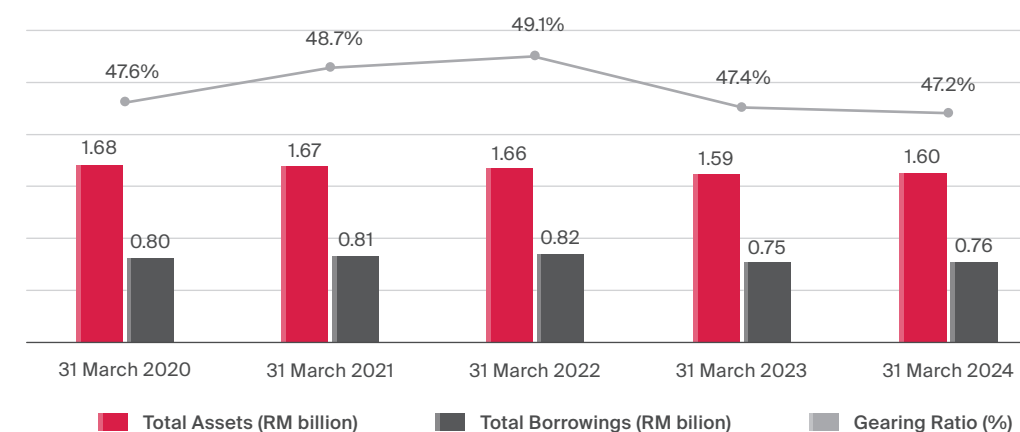
### Capital and Interest Rate Management

#### Prudent Capital Management

The Trust's capital management strategy aims for a balanced funding structure and diversify funding sources to optimise returns to Unitholders. These strategies are continuously assessed and reviewed.

The gearing ratio decreased from 47.4% as at 31 March 2023 to 47.2% as at 31 March 2024, primarily due to a higher total asset value attributed to higher fair value gain on investment properties. With a gearing of 47.2%, the debt headroom stood at RM88.8 million before exceeding the 50% regulated limit by the Securities Commission Malaysia.

The Manager continues to explore various means of optimising gearing level, including limiting discretionary capital expenditure and will continue pursuing opportunistic strategic divestment of low-yielding and non-core assets to rationalise the property portfolio and optimise the gearing level.



#### Debt Maturity Profile

The Manager actively reviews the maturity profile of the Trust's borrowings to manage refinancing risks and will consider the prevailing credit market condition as well as the available potential funding avenue to diversify the Trust's loan exposure as part of the capital management strategy to manage the concentration and refinance risk.

In FY2024, the Trust secured extensions of the tenures for its term loans and revolving credit facility amounting to RM390.9 million. These extensions range from 5 to 7 years, thereby raising the weighted average debt maturity from 1.4 years as at 31 March 2023 to 3.3 years as at 31 March 2024.

Revolving credit facilities amounting to RM116.9 million that will be expiring in the next financial year, are subject to annual review.

	Total Borrowings RM million	% of Total Borrowings RM million
< 1 year	116.9	15.4
1 to 2 years	249.9	33.0
2 to 3 years	-	-
3 to 4 years	-	-
4 to 5 years	304.8	40.3
> 5 years	85.7	11.3
<b>Total Borrowings</b>	<b>757.3</b>	<b>100.0</b>

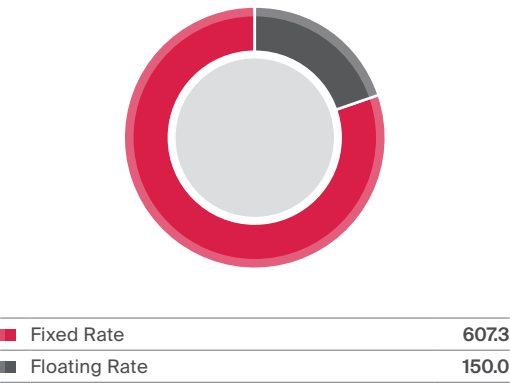
Capital and Interest Rate Management

Interest Rate Management

As at 31 March 2024, the Trust recorded weighted average all-in borrowings cost of 4.38%. All the Trust’s borrowings are currently at a floating rate to benefit from lower short-term rate. To manage the interest rate exposure, currently, RM150 million of the Trust’s borrowings are fixed/hedged via a 5-years Interest Rate Swap (IRS) contract, in exchange of the 3-month Kuala Lumpur Interbank Offered Rate (KLIBOR). With these IRS contracts in place, the Trust has effectively hedged 20% of its borrowings, with a weighted average term of debts of 3.6 years.

The Manager takes into consideration various factors, including interest rate outlook and the expected cash flows from business operations to determine the Trust’s interest rate profile.

Hedging Profile (RM million)  
As at 31 March 2024



With 20% of total borrowings hedged via an IRS contract, an interest cost sensitivity analysis reveals that a 25 basis points increase (or decrease) in the interest rate, with all other variables held constant, will result in a corresponding increase (or decrease) of RM1.5 million in the Trust’s net income.

Moving forward, to mitigate the interest rate exposure in a volatile market, the Manager will maintain a manageable level of floating rate borrowings to benefit from a lower short-term rate. At the same time, the Manager will continue to monitor the interest rate market for opportunities to secure favorable fixed rates to hedge the interest rate exposure.

Cash Flow Position

As at 31 March 2024, the Trust’s cash and cash equivalents (excluding restricted cash and cash equivalents) stood at RM1.5 million.

Net cash flow from operating activities, before the payment of interest expense of RM33.9 million, decreased by RM1.2 million or 2.3% to RM51.9 million, primarily due to lower collection of trade receivables.

A negative net cash flow in investing activities amounting to RM4.7 million was mainly due to payments of capital expenditures on investment properties.

Meanwhile, net cash used in financing activities of RM47.3 million primarily consisted of payment of interest on borrowings (net) of RM33.9 million and income distributions paid to the Unitholders of RM16.3 million.

Overall, the Trust registered a negative net cash flow of RM0.2 million during the current financial year, largely attributable to higher interest payments and payment for capital expenditures. This resulted in a decrease in the cash and cash equivalent to RM1.5 million as at 31 March 2024.

The remaining undrawn banking facilities which amount to RM62.1 million, comprised of revolving credit and overdraft facilities, which will be utilised to finance any future funding needs of the Trust.

Investor Relations and Communications

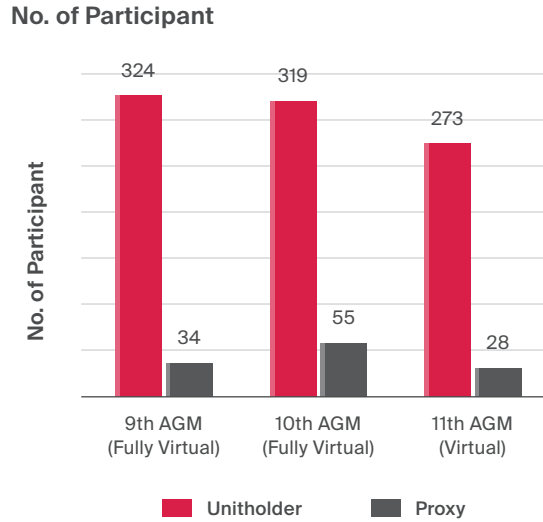
“We are committed to maintaining a high standard of disclosure and ensuring timely, effective, and consistent communication with the investment community, by providing relevant information on financial and operational performances, major developments and outlook. We continuously strive for sound investor relations practice, greater transparency, and robust corporate governance.

Engagement with our stakeholders is important as we endeavor to better understand their priorities and evolve our business strategies accordingly. We reached out to our stakeholders through various communication platforms to keep informed about the Trust’s performance and outlook.”

Annual General Meeting (AGM)

AGM is an important event each year and serves as the primary platform for Unitholders to effectively engage with the Board and the Management in order to gain insights on the business activities and financial position and enables the Unitholders to provide constructive feedback and raise their concerns directly to the Board and the Management.

On 20 July 2023, the Trust held its Eleventh AGM virtually through live streaming and online voting via RPEV.



In line with MCGG Practice 13.1, the Notice of Eleventh AGM was issued more than 28 days prior to the AGM. The Notice was advertised in one nationally circulated Bahasa Malaysia and English daily press newspapers and in writing to Bursa Malaysia.

A wide range of questions were received from the Unitholders and Proxies before and during the AGM, and responses were provided by the Board and the

Management during the Questions and Answers (Q&A) session. Pursuant to the recommendation by the Minority Shareholders Watch Group (MSWG) on the appointment of an independent moderator at a virtual AGM, the Manager has appointed KPMG Management & Risk Consulting Sdn Bhd as the moderator for the Eleventh AGM to ensure that the Q&A session is conducted in an objective and transparent manner. The full list of questions and answers of the AGM are published on the Trust’s corporate website at <https://ir2.chartnexus.com/amfirstreit/agm.php>. All proposed resolutions were approved by the Unitholders, and the results and minutes of the AGM were also published on the Trust’s corporate website.

In February 2024, the SC’s Listed REITs Guidelines were amended to extend the timeframe for the holding of an AGM from four months to six months from the end of a REIT’s financial year.

The Trust’s Twelfth AGM has been scheduled on Friday, 23 August 2024. The twelfth AGM will be conducted virtually through live streaming facilities at the Broadcast Venue located at 12th Floor Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

Financial Reports

We engage our stakeholders on the financial performance of the Trust through quarterly financial reporting and corporate presentations, which include financial and asset performance, capital and interest rate management, as well as industry trends and prospects. The Trust’s quarterly financial reporting and corporate presentation are released to Bursa Malaysia on the same day the quarterly financial reports are approved by the Board.



Investor Relations and Communications

The Trust’s quarterly corporate presentations are published in an investor-friendly manner to provide additional information on the Trust’s latest financial and operational performances. The corporate presentations are available on the Trust’s corporate website immediately following the announcement made to Bursa Malaysia.

Corporate Website

Comprehensive information and updates relating to the Trust are promptly uploaded and made accessible to the public on the Trust’s corporate website at [www.amfirstreit.com.my](http://www.amfirstreit.com.my). The latest and historical information and publications such as announcements to Bursa Malaysia, unit price performance, media releases, annual reports, corporate presentation, property portfolio information and other developments are archived on the Trust’s corporate website.

Investors who wish to receive the latest updates on the Trust can subscribe to the email alert service via the Trust’s corporate website. Additionally, investors can submit their enquiries via the dedicated page on the corporate website or through a dedicated investor relations email. Stakeholders can also download the mobile app “**AmFIRST REIT**” to obtain an up-to-date information about the Trust.

The Trust’s latest online annual report is optimized not only for desktop computers but also for tablet computers and smartphones, thereby increasing accessibility for mobile device users.

Malaysian REIT Managers Association (MRMA)

Our active involvement in the industry-related association enables us to share our voice through this participation. Through MRMA, members cohesively strive to achieve progressive growth of the Malaysian REITs’ market by developing common benchmarking against international best practices and favorable regulatory regime.

Throughout the current financial year, the senior management team of the Manager participated in various seminars and forum organized by MRMA, enabled us to share insights and provide feedback for the benefits of REIT industry. En Zuhairy Bin Md Isa, the Deputy Chief Executive Officer of the Manager, currently serves as the Vice Chairman of MRMA.

Meetings

The Manager provides a one-to-one/group meetings to institutional investors, fund managers and analyst upon requests by the institutional investors and fund managers, where these meetings/briefings focus on providing updates on the financial results as well as on the business development.

PROPOSED INVESTOR RELATIONS CALENDAR FY2025
AUGUST 2024
<ul style="list-style-type: none"><li>1Q FY2025 Financial Results</li><li>Twelfth Annual General Meeting</li></ul>
NOVEMBER 2024
<ul style="list-style-type: none"><li>2Q FY2025 Financial Results</li></ul>
DECEMBER 2024
<ul style="list-style-type: none"><li>Payment of 1H FY2025 Interim Income Distribution</li></ul>
FEBRUARY 2025
<ul style="list-style-type: none"><li>3Q FY2025 Financial Results</li></ul>
APRIL/MAY 2025
<ul style="list-style-type: none"><li>4Q FY2025 Financial Results</li></ul>

Feedback and Enquiries

We welcome feedback from investors to further improve interactions with the investing community. Please feel free to contact the dedicated team of the Manager via the following:

**Mr Chong Hong Chuon**  
Chief Executive Officer

**Encik Zuhairy Bin Md Isa**  
Deputy Chief Executive Officer

**Encik Abdul Rahman Bin Mohd Joned**  
Head, Finance

Telephone : +603 7955 8780  
Email : [amfirstreit-custcare-investor@ambankgroup.com](mailto:amfirstreit-custcare-investor@ambankgroup.com)  
Website : <https://www.amfirstreit.com.my/investors.php>

Risk Management

“The Manager acknowledges its responsibility to proactively manage risks to safeguard the Trust from potential losses, damages or failures stemming from uncertain actions or events, in order to achieve its goals and objectives. Risk management is an integral part of the Manager’s corporate governance and has been embedded into its management processes, forming part of the Manager’s overall framework.”

The Manager has established a systematic and ongoing process to identify, evaluate and address the significant risks faced by the Trust throughout the financial year under review.

Market Risk

The glut in office space has intensified pressure on office occupancy and rental rates, driven by competition from new office buildings with low occupancy. This has led competitors to lower their rental rates in efforts to attract tenants away from existing buildings. This situation was worsened by the accelerated adoption of remote working post-pandemic, prompting some organisations to downsize their office space.

To address the adverse effects of market oversupply and stiff competition, the Manager intensified its focus by rolling out aggressive leasing strategy, including stepping-up various leasing efforts and collaboration initiative and offering flexible and attractive rental packages to retain existing tenants and attract new tenants.

Interest Rate Risk

The Trust’s exposure to interest rate risk primarily arises from its floating rate borrowings. As at 31 March 2024, approximately 20% or RM150 million of its borrowings were hedged via IRS contract.

An increase in the interest rate would lead to higher interest costs, thereby reducing the net income of the Trust. Conversely, a decrease in the interest rate would benefit the Trust by lowering its interest expense.

The Manager closely monitors the interest rate environment and actively seeks opportunities to mitigate the risk by hedging a portion of the Trust’s borrowings into a fixed rate via IRS or fixed rate term loan.

Capital and Liquidity Risk

Capital and liquidity risk pertains to the Trust’s ability to access cash or capital promptly to prevent insufficient liquidity to meet its business needs and financial obligations, including interest payments, loan repayments and payment of income distributions. Such risk emerges from potential loan covenants defaults, deteriorating credit market causing loan unavailability, poor liquidity and cash flow management, and underperforming unit price resulting in significant dilution for new unit issuance.

The Trust’s capital and liquidity management goals aim to safeguard its ability to continue as a going concern and maintain an efficient capital structure to optimise returns for the Unitholders. Our capital and liquidity management strategies encompass:

- (a) Effective cash flow and treasury management.
- (b) Ongoing financial monitoring and active interest rate management.
- (c) Regular compliance review of loan covenants.
- (d) Proactive relationship management with bankers, investors and sponsors.
- (e) Optimisation of gearing through strategic divestment of low-yielding and non-core assets.

The Manager regularly reviews its capital and liquidity management strategy to align with the Trust’s objective, while closely monitoring the gearing level to ensure compliance with the SC’s Listed REITs Guidelines.

Credit Risk

Credit risk is the risk of a high allowance for impairment loss or bad debts write-off, alongside increased legal expenses associated with pursuing recovery of outstanding receivables from the tenants. Poor credit collections further exacerbate cash flows problems.

The Manager continuously monitors probable causes of credit risk, including high concentration of tenant mix, unfavorable or complex tenancy arrangements, and economic downturns or rising costs affecting tenants’ ability to pay their rent.

To mitigate the Trust’s exposure to credit risk, the Manager collects security deposits from all tenants, serving as collateral. Additionally, thorough customer due diligence is conducted to assess tenants’ ability to fulfill rental obligations prior to offering tenancies.

MANAGEMENT DISCUSSION AND ANALYSIS

Risk Management

Effective credit control measures are implemented, including proactive follow-up on rental arrears and charging of late payment interest to encourage timely payment. Furthermore, fostering positive tenant relationships is prioritized to enhance timely rental collections.

Acquisition and Investment Risk

Acquisition and investment risks refer to the risk of assets or investments not being yield accretive, thereby impacting on the overall performance of the Trust.

Prior to recommending any acquisition to the Board, the Manager evaluates the proposed acquisition from financial, legal and technical perspectives.

The Manager will remain selective and manage such risks by evaluating potential acquisitions against approved investment criteria and conducting a thorough due diligence process, prior to recommending for approval.

Valuation Risk

Valuation risk refers to the risk that valuation of property may not be sustainable, thereby impacting the Trust's asset value and gearing. The Manager engaged independent professional valuers to determine the fair value of the Trust's investment properties. The income approach by investment method is typically the primary method used for valuing a REIT property as it provides the best indication of the worth of the properties. Key considerations for valuation using income approach by investment method are yield rates of the properties. The Manager adopts various proactive asset management strategies, as well as implementation of selective asset enhancement initiatives to ensure that the Trust's assets under management maintain their high-yield and market value.

Tenant Concentration Risk

Although the Trust maintains a diverse tenant base across its properties, there is a notable concentration risk highlighted in the tenant trade mix analysis section. This risk stems from heavy reliance on tenants that contribute

significant revenue to the Trust, potentially posing challenges during adverse economic conditions such as rental rate reductions or decreases in office space demand.

In FY2024, the Trust's top ten tenants accounted for 74.3% (FY2023: 72.8%) of the total rental income, with AmBank Group contributing 38.2% (FY2023: 38.3%) and Mydin Mohamed Holdings Berhad contributing 20.6% (FY2023: 20.2%). The remaining eight tenants each contributed a lower percentage ranging from 1.0% to 4.4%.

This diverse tenant base provides a level of stability and mitigates risk exposure by ensuring consistent, sustainable rental income.

Operation Risk

The Trust has a portfolio of eight properties, each requiring constant attention to various operating systems including air-conditioning, vertical transportation, CCTV and fire-fighting, in addition to building structures. Given that these systems comprise mechanical and electrical components, inherent risks are associated with their operation. Factors such as wear and tear, structural damage and electrical power surges can lead to faults affecting functionality and safety.

To mitigate these risks, the Manager appoints suitable and competent specialists to ensure planned maintenance is undertaken accordingly. Approved annual budgets for maintenance and where required, replacements or asset enhancement are allocated to address operations concerns. Asset enhancements are carried out when deemed necessary for the buildings' upkeep.

Regulatory and Compliance Risk

The Trust is listed with Bursa Malaysia while the Manager is licensed under Capital Markets and Services Act 2007 (the Act). The operation of the Trust is subject to strict adherence to the requirements of the Act as well as SC's Listed REITs Guidelines. In addition, as the Manager is a subsidiary of a financial institution, namely, AmBank Group, there is great emphasis of compliance on various regulations such as anti-money laundering, personal data protection, securities trading, and anti-corruption, amongst others.

It is pertinent that an effective framework and resources are established in place to ensure regulatory requirements are complied with. The dedicated Compliance & Risk department is responsible for and tasked in advocating appropriate compliance culture among the management team as well as service providers associated with the Trust. The Manager's compliance culture is further strengthened by appropriate oversight role, guidance and resources by AmBank's Group Compliance and Group Operational Risk Departments.

Climate Change Risk

As highlighted by the United Nations in its assessment of Causes and Changes of Climate Change, the escalating energy demand for heating, cooling, as well as increased electricity consumption for lighting, appliances, and connected devices, have notably contributed to a surge in energy-related carbon-dioxide emissions from buildings. These emissions intensify the accumulation of greenhouse gases, exacerbating global warming and leading to shift in weather patterns towards more extreme conditions. Presently, the planet is undergoing warming at an unprecedented rate, faster than at any point in recorded history, disrupting the usual balance of nature and posing multifaceted risks to humanity and all ecosystems.

Recognising the gravity of climate change, the Manager has integrated it as a risk factor necessitating attention in its operations. Appropriate steps and initiatives have been taken to mitigate the environmental footprint of the Trust's properties. These efforts are complemented by prudent electricity consumption practices, and continuous efforts to identify and procure energy-efficient components and equipment.

Furthermore, the Manager has implemented mitigating measures to address the potential impacts of extreme weather events. For instance, appropriate safeguards, including the installation of water pumps in carpark basements, have been instituted to mitigate asset damage and ensure the safety of occupants in the event of flooding.

Prospects

The office market is expected to remain challenging due to oversupply in the office market. Meanwhile, the retail sector is forecasted to grow at a moderate level amidst dampening in consumer demand brought about by review of government subsidies and increase in service tax.

We will continue to adopt appropriate capital and asset management strategies that are centered on intensifying leasing effort, cost optimization and implementation of selective asset enhancement initiatives to improve the yield of the Trust's assets.

To restructure the Trust's property portfolio, we will continue pursuing our strategy on asset rationalisation and diversification through opportunistic divestment of low-yielding and non-core assets, and subsequently diversify into other high-yielding alternative asset classes with the objective to ensure the property portfolio can delivery long-term value and sustainable return to the Unitholders.

1.0 MARKET INDICATIONS

1.1 Economic Indicators

Table 1: Malaysia – Key Economic Indicators, 2018 to 2024<sup>(f)</sup>

Year	Economic Indicators: Annual Change (%)		
	Gross Domestic Product <sup>(1)</sup> (%)	Inflation Rate <sup>(2)</sup> (%)	Unemployment Rate (%)
2018	4.8	1.0	3.3
2019	4.4	0.7	3.3
2020	-5.5	-1.2	4.5
2021 <sup>(e)</sup>	3.1	2.5	4.6
2022 <sup>(p)</sup>	8.7	3.3	3.8
2023 <sup>(p)</sup>	3.7	2.5	3.4
2024 <sup>(f)</sup>	4.0 ~ 5.0	2.0 ~ 3.5	3.3

Sources: Department of Statistics Malaysia / BNM Notes:

(1) (p) = Preliminary data; (f) = Forecast; (e) = Estimates

(2) Gross Domestic Product (GDP) at constant 2015

(3) Inflation rate at constant 2010

The Malaysian economy continued its expansionary mode with gross domestic product (GDP) normalising to 3.7% in 2023 (2022: 8.7%). This growth was driven by robust domestic demand, improved labour market condition, recovery in tourism activities and sustained investment activities amid slower global growth. Moving forward, BNM anticipates the country’s economy to expand between 4.0% and 5.0% in 2024 underpinned by continued expansion in domestic expenditure and improvement in external demand. Stronger-than-expected tourism activity and faster implementation of existing and new investment projects by both the private and public sectors would provide upside risks to the domestic growth. Nevertheless, domestic growth remains susceptible to downside risks from external factors such as weaker-than-expected global growth and escalating geopolitical conflicts, as well as domestic shocks like severe disruptions in commodity production and subsidy rationalisation.

Headline inflation, as measured by the Consumer Price Index (CPI), moderated to 2.5% in 2023 (2022: 3.3%) after reaching its peak in 2022. The moderation was driven by broad-based easing in both core and non-core inflation. Lower inflation for fuel (2023: -1.6%;

2022: 5.1%) as well as food and non-alcoholic beverages (2023: 4.8%; 2022: 5.8%) were among the main drivers contributing to softer headline inflation. Core inflation, on the other hand, averaged at 3.0% for 2023 (2022: 3.0%), mainly driven by a relaxation in service-related items such as food away from home and the repair and maintenance of personal transport. Both headline and core inflation are expected to remain modest in 2024, ranging between 2.0% - 3.5% and 2.0% - 3.0%, respectively. This reflects the potential upside from domestic subsidy rationalisation and external forces.

Malaysia’s labour market conditions continued to improve in 2023, with the unemployment rate declining to 3.4% (2022: 3.8%; 2019: 3.3%), reaching pre-pandemic levels due to higher domestic demand amid ongoing economic expansion. It is forecasted to moderate to 3.3% in 2024.

On the lending front, due to the growth prospect of the Malaysian economy, the central bank increased the OPR by 25 basis points from 2.75% to 3.00% in May 2023 and has maintained it since then. At the current OPR level, the monetary policy supports the economy and aligns with current evaluation of inflation and growth prospects.

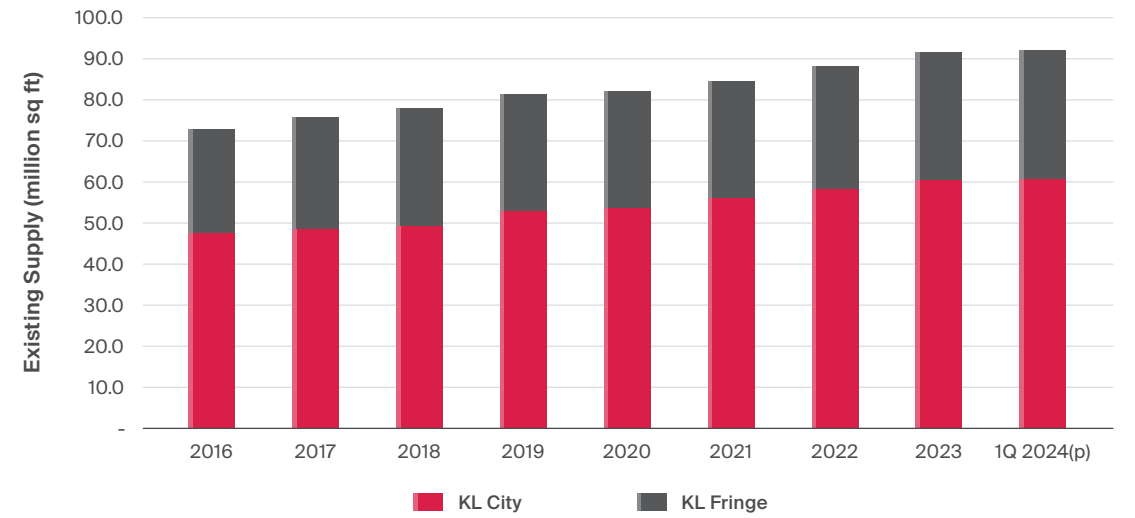
2.0 OFFICE MARKET OVERVIEW

2.1 Kuala Lumpur

2.1.1 Supply

The supply of office space in Kuala Lumpur has grown steadily over the years. Between 2016 and 1Q2024, office supply in KL City grew at a Compound Annual Growth Rate (CAGR) of circa 3.3%, marginally outpacing KL Fringe’s CAGR of 3.2%.

Chart 1: KL City & KL Fringe – Cumulative Supply of Purpose-Built Office Space, 2016 to 1Q 2024<sup>(p)</sup>



Source: Knight Frank Research

Note: (p) = Preliminary data

The bulk of existing office supply comes from KL City, recorded at about 65.7% or 60.3 million sq ft whilst the remaining office stock of 31.5 million sq ft or 34.3% is located in KL Fringe. The latter covers the decentralised localities of Bangsar South, Kerinchi, Damansara Heights, KL Sentral, Mid Valley City, KL Eco City, Pantai, Bangsar, Taman Tun Dr Ismail (TTDI), Mont’ Kiara and Dutamas.

In 2023, the KL City and KL Fringe sub-markets witnessed the completion of nearly 2.2 million sq ft and 1.5 million sq ft of space respectively. Notable completions during the year include the highly anticipated Merdeka 118 Tower (circa 1.65 million sq ft NLA), Pavilion Damansara Heights Corporate Towers 2 to 9 (circa 844,600 sq ft NLA in total), and Aspire Tower in KL Eco City (circa 687,000 sq ft NLA).

The first quarter of 2024 (1Q2024) recorded the completion of Felcra Tower in KL City (circa 175,000 sq ft NLA). For the remaining year of 2024, notable entrants include The Exchange TRX Office by Lendlease, Pavilion Damansara Heights Corporate Tower 1 and TNB Gold Bangsar, which will collectively add some 1.3 million sq ft of space to the existing cumulative office stock.

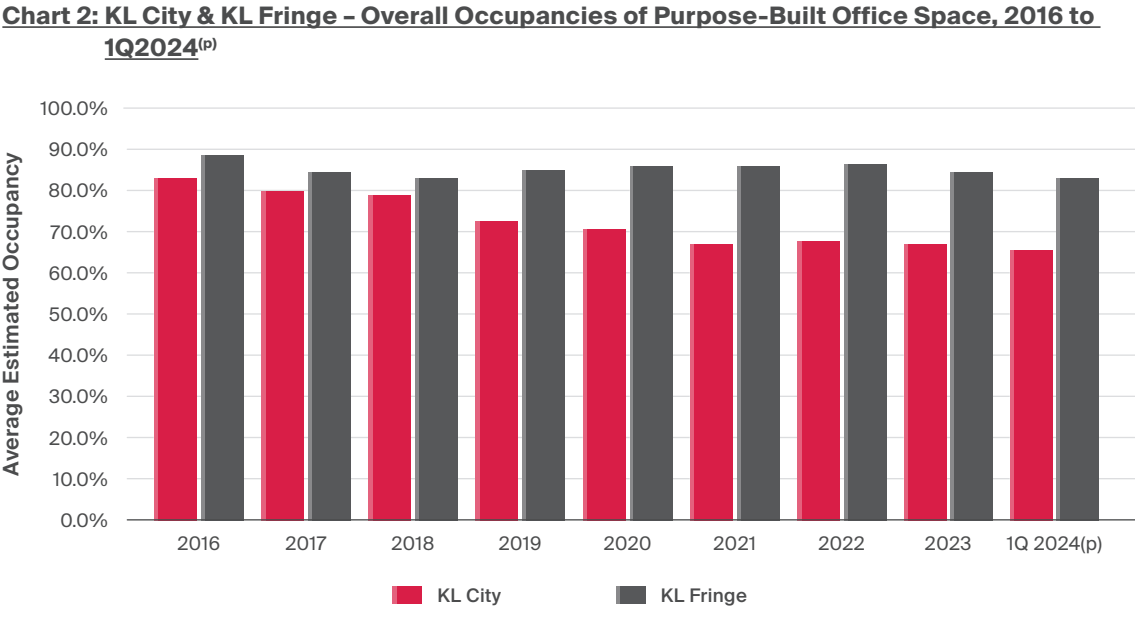


2.1.2 Occupancy

For the full year of 2023, the overall occupancy rate of office buildings in KL City declined from 67.3% in 2022 to 66.8% in 2023, following a significant influx in new completions that year. Similarly, the overall occupancy rate for KL Fringe also declined to 84.6% in 2023 following the addition of approximately 1.5 million sq ft new office space (2022: 86.5%).

On a quarterly basis, occupancy rates in both KL City and KL Fringe saw slight improvements in 1Q2024. KL City recorded a rate of 65.4%, up from 64.3% in 4Q2023, while KL Fringe saw an increase to 85.2% from 84.4% during the same period.

Overall, the Kuala Lumpur office market saw positive absorption of circa 785,000 sq ft in 2023, contributed by commendable take-up of office space in both KL City and KL Fringe; namely in the New CBD and Mid Valley City / KL Eco City localities.



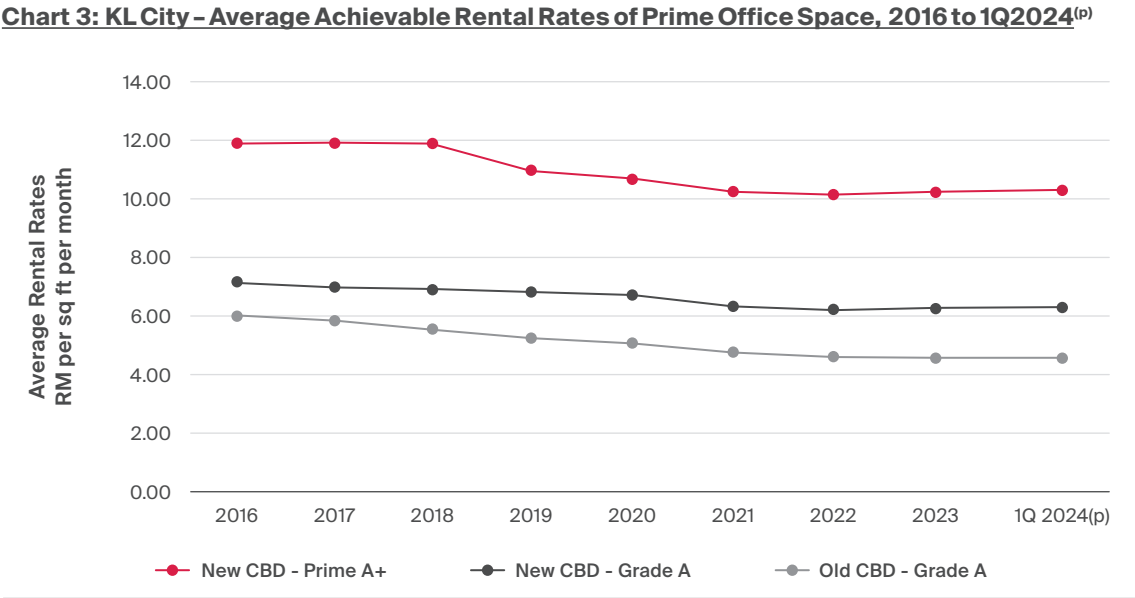
Source: Knight Frank Research  
Note: (p) = Preliminary data

2.1.3 Rental Rates

In the New CBD, Prime A+ and Grade A office space continue to command higher average achievable rental rates when compared to similar Grade A space located in the Old CBD.

The average monthly rental rates for Prime A+ and Grade A office space, which had

experienced downtrend during the prolonged pandemic, recovered in 2023. The monthly rentals of Prime A+ space averaged at RM10.31 per sq ft in 2023 (2023: RM10.26 per sq ft) while for Grade A space, the monthly rentals averaged at RM6.29 per sq ft (2023: RM6.26 per sq ft). Meanwhile, average rentals of Grade A offices in the Old CBD grew marginally to RM4.57 per sq ft (2023: RM4.56 per sq ft).

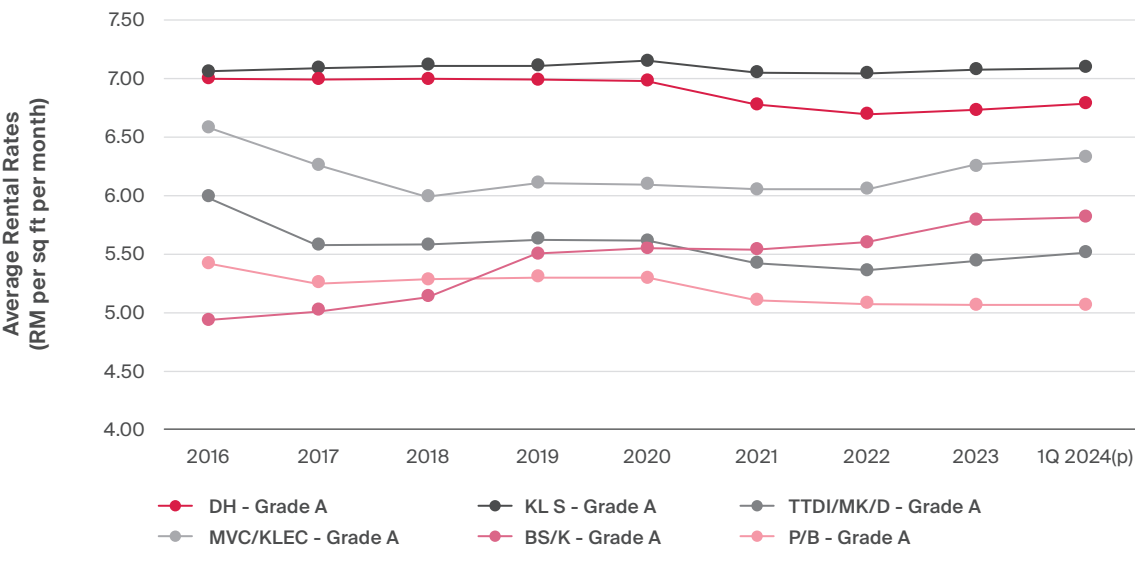


Source: Knight Frank Research  
Notes:  
(p) = Preliminary data  
(1) GT refers to Golden Triangle; CBD refers to Central Business District  
(2) **Prime A+**: Iconic buildings located within prime or main address that form part of integrated developments, equipped with high quality marble/stone finishes and up-to-date facilities, and usually command the highest rents and attract high-profile tenants such as multinational companies.  
(3) **Grade A**: Modern buildings usually located within main or secondary address with high quality finishes, good amenities, accessibility and having full range of facilities.

Grade A office space of most sub-markets in the KL Fringe saw varying levels of improvement in 1Q2024. Monthly rental rates averaged at RM7.10 per sq ft (2023: RM7.08 per sq ft) in KL Sentral, RM6.80 per sq ft (2023: RM6.73 per sq ft) in Damansara Heights, RM6.34 per sq ft (2023: RM6.25 per sq ft) in Mid Valley City / KL Eco City, RM5.82 per sq ft (2023: RM5.80 per sq ft) in Bangsar South / Kerinchi and RM5.52 per sq ft (2023: RM5.45 per sq ft) in Taman Tun Dr Ismail / Mont Kiara / Dutamas. In the sub-market of Pantai / Bangsar, the rates remained flattish and averaged at RM5.08 per sq ft.



Chart 4: KL Fringe – Average Achievable Rental Rates of Grade A Purpose-Built Office Space in Selected Localities, 2016 to 1Q2024<sup>(p)</sup>



Source: Knight Frank Research

Notes:

(1) (p) = Preliminary data

(2) DH – Locality of Damansara Heights;

(3) KLS – Locality of Kuala Lumpur Sentral;

(4) TTDI / MK / D – Locality of Taman Tun Dr. Ismail/Mont Kiara/Dutamas;

(5) MVC / KLEC – Locality of Mid Valley City/KL Eco City;

(6) BS / K – Bangsar South/Kerinchi; and

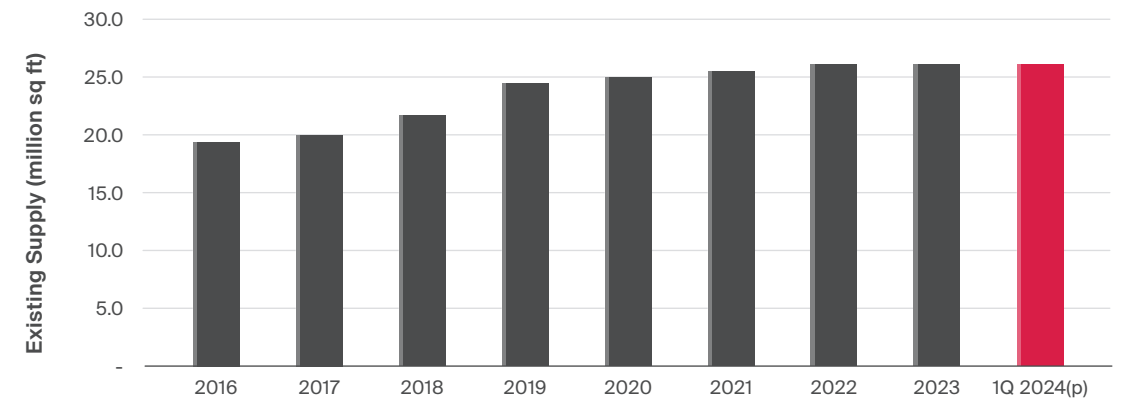
(7) P / B – Pantai/Bangsar

2.2 Selangor

2.2.1 Supply

With no new completions recorded since 2022, the cumulative office supply in Selangor remained stable at approximately 26.1 million sq ft as of 1Q2024, reflecting a CAGR of 4.2%. Looking ahead, the impending completion of Atwater Towers A & B, spanning circa 320,100 sq ft NLA in total, will add to the region’s office space inventory.

Chart 5: Selangor - Cumulative Supply of Purpose-Built Office Space, 2016 to 1Q2024<sup>(p)</sup>



Source: Knight Frank Research

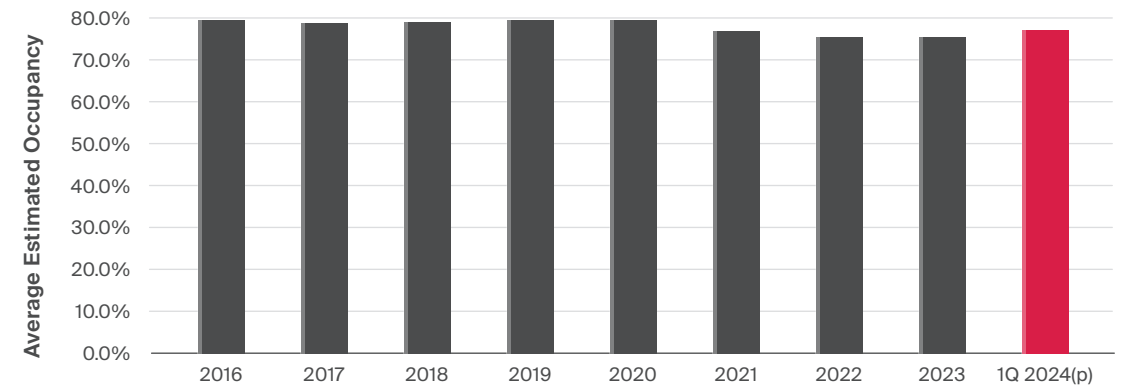
Note: (p) = Preliminary data

2.2.2 Occupancy

Selangor’s overall occupancy rate saw a slight improvement, averaging at 73.8% in 2023 (2022: 73.6%), with modest gains observed across most office sub-markets. Throughout the year, the office market demonstrated a positive net absorption of approximately 364,000 sq ft, attributed to increased leasing activity and tenant movements.

In 1Q2024, Selangor’s average occupancy rate continued its upward trend at 75.4%, with the submarkets of Petaling Jaya, Subang Jaya, and Shah Alam reporting improved occupancies. Meanwhile, Cyberjaya’s average occupancy rate remained stable.

Chart 6: Selangor – Overall Occupancies of Purpose-Built Office Space, 2016 to 1Q2024<sup>(p)</sup>



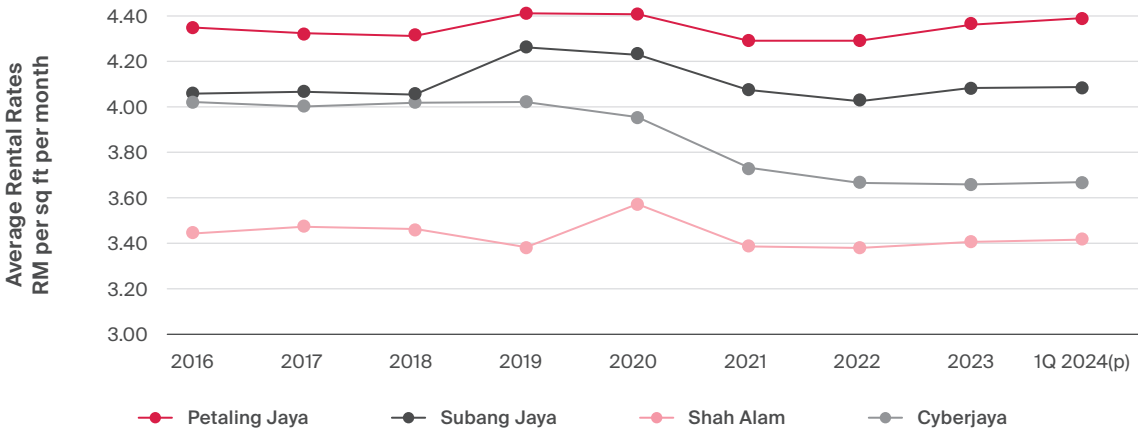
Source: Knight Frank Research

Note: (p) = Preliminary data

2.2.3 Rental Rates

The overall monthly rental rate of purpose-built office space in Selangor improved marginally in 1Q2024, averaging RM4.16 per sq ft (2023: RM4.15 per sq ft per month).

Chart 7: Selangor – Average Achievable Rental Rates of Purpose-Built Office Space in Selected Localities, 2016 to 1Q2024<sup>(p)</sup>



Source: Knight Frank Research  
Note: (p) = Preliminary data

In 1Q2024, the average monthly rental rates in the localities of Subang Jaya and Cyberjaya were relatively stable at RM4.17 per sq ft and RM3.72 per sq ft respectively as compared to 2023. While in Petaling Jaya and Shah Alam, the rates improved marginally to RM4.50 per sq ft (2023: RM4.47 per sq ft) and RM3.45 per sq ft (2022: RM3.44 per sq ft) respectively.

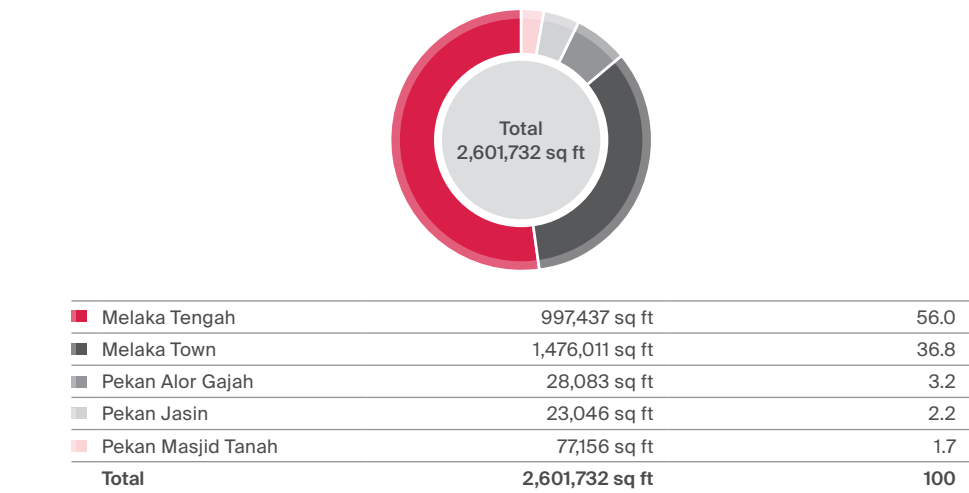
2.3 Melaka

2.3.1 Supply

As of 2023, the cumulative supply of purpose-built office space (excluding government buildings) in Melaka stood at circa 2.6 million sq ft. No notable completions have been recorded since 2016.

Melaka Tengah has the highest concentration of office supply with circa 1.4 million sq ft or 56.0% share of total office stock in the state, followed by Melaka Town with circa 0.9 million sq ft (36.8% share). Collectively, Pekan Jasin, Pekan Masjid Tanah and Pekan Alor Gajah contribute the remaining office supply with approximately 128,284 sq ft or 7.1% share.

Chart 8: Melaka – Cumulative Existing Supply of Purpose-Built Office Space, as of 2023<sup>(p)</sup>



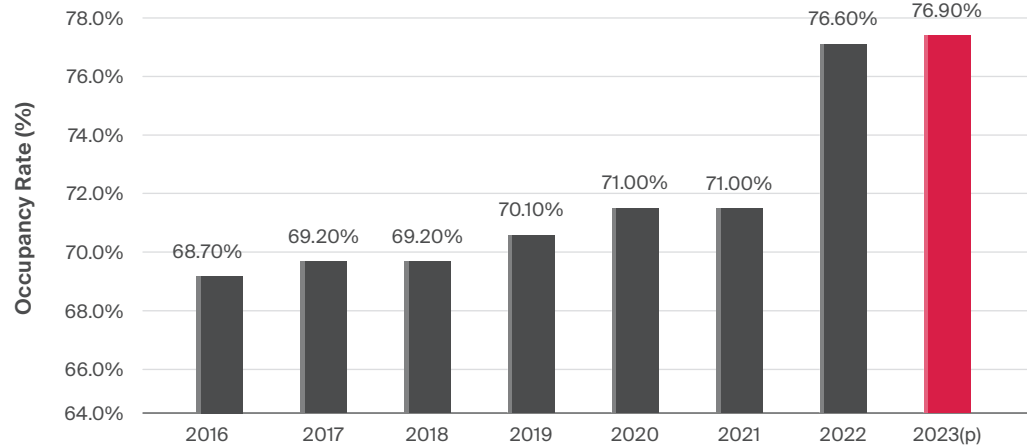
Sources: NAPIC/Knight Frank Research  
Notes:  
(1) (p) = Preliminary data  
(2) The above supply includes privately owned purpose-built office buildings (excluding government buildings)

2.3.2 Occupancy

In the privately-owned office segment, the overall occupancy rate improved marginally to 76.9% in 2023 (2022: 76.6%).

The office space in Pekan Alor Gajah is fully taken up while in Pekan Masjid Tanah, the occupancy rate has constantly hovered above the 90.0% mark. Meanwhile, in Melaka Town, Melaka Tengah and Pekan Jasin, the average occupancies continue to range between 73.9% and 79.6%.

Chart 9: Melaka – Overall Occupancies of Purpose-Built Office Space, 2016 to 2023(p)



Sources: NAPIC/Knight Frank Research  
Note: (p) = Preliminary data

2.3.3 Rental Rates

Generally, the gross rentals of selected existing office buildings in prime Central Town area continued to hold steady.

Table 2: Melaka – Rental Range of Selected Office Buildings in Central Town, 2023

Name of Building / Location	Rental Range (RM per sq ft / month)
Bangunan Graha Maju Jalan Hang Tuah	1.30 – 2.20
Bangunan Tabung Haji Jalan Bandar Kaba	0.80 – 2.10
Bangunan Risda Jalan Tun Sri Lanang	1.90 – 2.00
Kompleks Tun Sri Lanang Jalan Tun Sri Lanang	2.50 – 3.60

Sources: NAPIC / Knight Frank Research

2.4 Market Outlook

Under the revised Budget 2023 and Budget 2024, the government has introduced various subsidies and incentives to support the business industry. Highlights include the designation of TRX as Malaysia’s international financial hub and special economic zone to attract high-quality foreign investment; the extension of Green Investment Tax Allowance (GITA) and Green Income Tax Exemption (GITE) until December 2025 to encourage sustainable initiatives; and the Global Services Hub (GSH) incentive to boost Malaysia’s competitiveness as a leader in the global services sector.

Looking ahead, the Klang Valley office market is expected to remain tenant-led due to persistent supply and demand imbalances. With over 1.7 million sq ft of office space expected to be completed in 2024, along with recent completions in 2023, competition is expected to persist. The combination of high incoming supply and the prevailing “flight to quality” trend will likely continue to exert pressure on both occupancy and rental levels, particularly in the KL City – where most new completions are concentrated, and Grade B office supply remains significant.

Nevertheless, demand is showing signs of improvement. Leasing enquiries are picking up, as occupancy and rentals recorded modest improvements in 2023. Demand for office spaces in the Klang Valley were observed to be sustained from various sectors such as technology, finance, and professional services.

Furthermore, Malaysia continues to attract multinational corporations (MNCs) seeking to establish regional hubs amidst prevailing market conditions – capitalising on its economic prospects, central geographical location, skilled workforce, and competitive startup costs. This trend is underscored by a recent Knight Frank study, estimating Malaysia’s contribution of over 8% to the Asia Pacific offshoring market. Key drivers include competitive rental rates, a rich talent pool, and robust government support in driving the country’s digital economy.

As the demand for prime and Grade A office space holds, landlords of older buildings will increasingly consider pursuing Asset Enhancement Initiatives (AEI) to uphold their competitiveness. These initiatives encompass a spectrum of efforts, from basic physical refurbishments to upgrading technological features and pursuing green certifications, thereby enhancing both the functionality and appeal of the offices.

Additionally, co-working and flexi spaces will continue to be sustained to accommodate evolving work models, as more organisations adopt hybrid workstyles. Co-working operators are growing their footprint by providing comprehensive and hybrid work solutions that appeal to corporate clients such as independent professionals, small and medium enterprises (SMEs) and multinational corporations (MNCs) in response to the increasing demand. Driven by this shift, a number of landlords and real estate investment trusts (REITs) are reportedly exploring co-working trends as a way to improve flexibility and draw in tenants.

Meanwhile, the Selangor office market is expected to remain resilient, supported by sustained demand for quality space in decentralised locations with available infrastructure and highly accessible rail networks. High-quality decentralised office space with attractive rental packages continues to be favoured in meeting market demand.

In Melaka, the office market is anticipated to remain stable, with stagnant office space developments and flat occupancy and rental rates.

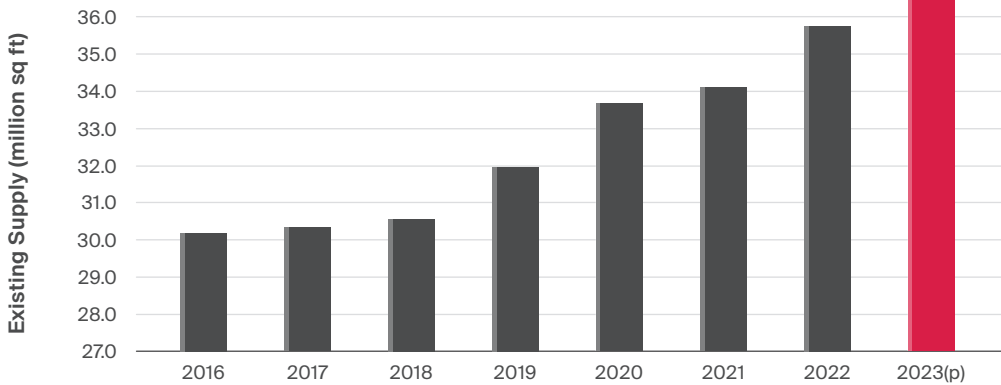
3.0 RETAIL MARKET OVERVIEW

3.1 Selangor

3.1.1 Supply

The cumulative supply of retail space in Selangor stood at circa 38.67 million sq ft as of 2023 following the completion of KSL Esplanade Mall which offers circa 650,000 sq ft NLA.

Chart 10: Selangor - Cumulative Supply of Retail Space, 2016 to 2023<sup>(p)</sup>



Source: Knight Frank Research

Notes:

(1) (p) = Preliminary data

(2) Putrajaya supply is included in Selangor and the above supply excludes standalone hypermarket.

Two shopping malls are anticipated to be completed in 2024. The semi-enclosed street mall of Sunsuria Forum Phase 2 @ 7th Avenue is slated for completion by 2Q2024 while the neighbourhood mall at Elmina Lakeside is targeted for opening in 3Q2024.



Table 3: Selangor – Retail Centres Scheduled for Completion / Opening, 2024

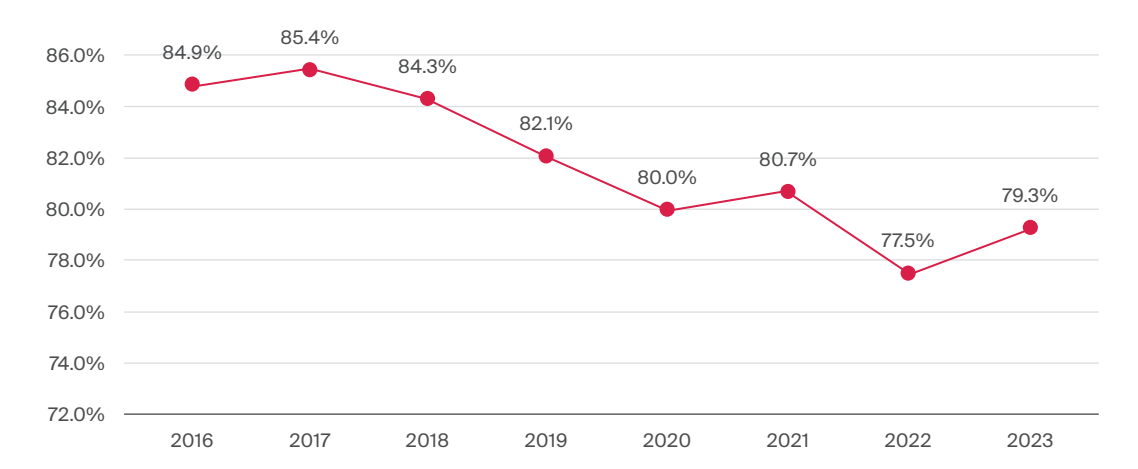
Shopping Centre	Location	Estimated NLA (sq ft)
Elmina Lakeside Mall	Shah Alam	214,000
Sunsuria Forum Phase 2 @ 7th Avenue	Setia Alam	256,000
Total		470,000

Source: Knight Frank Research  
Note: Putrajaya supply is included in Selangor

3.1.2 Occupancy

The average occupancy rate of shopping centres in Selangor peaked at 85.5% in 2015 and has since continued to downtrend, recording at 77.5% in 2022 before improving to 79.3% in 2023. It is, however, noteworthy to mention that the average occupancy in the State has continued to hover close to the 80.0% threshold despite the high supply pipeline of retail space coming into the market coupled with the challenging business landscape (source: NAPIC).

Chart 11: Selangor – Average Occupancy Rates of Shopping Centres, Arcades and Hypermarkets, 2016 to 2023<sup>(p)</sup>



Sources: NAPIC/Knight Frank Research  
Note: (p) = Preliminary data

3.1.3 Rental Rates

The rental levels of selected shopping centres in Selangor are summarised in the table below.

Table 4: Selangor: Rental Levels of Retail Space in Selected Shopping Centres, 2023

Shopping Centre	Location	Floor Level	Rental Range (RM per sq ft / month)
1 Utama Shopping Centre	Bandar Utama	Lower Ground	12.00 – 46.10
		Ground	12.50 – 35.00
		1	12.50 – 38.00
		2	10.50 – 30.00
Sunway Pyramid Shopping Mall	Bandar Sunway	Lower Ground	13.60 – 35.80
		Ground	22.60– 43.80
		1	17.50 – 58.60
Subang Parade	Subang Jaya	Lower Ground	7.80 – 22.00
		Ground	13.00 – 22.70
		1	7.00 – 8.20
Central I-City	Shah Alam	Lower Ground	6.20 – 17.20
		Ground	10.20 – 23.00
		1	7.70 – 30.00
		2	6.20 – 16.00
IOI Mall	Bandar Puchong	3	7.60 – 14.20
		Ground	9.50 – 37.00
		1	5.60 – 16.20
Melawati Mall	Taman Melati	2	9.30 – 16.00
		Lower Ground	5.60 – 18.80
		Ground	8.60 – 32.60
		1	5.00 – 8.60
		2	6.10 – 18.60
		3	9.30 – 22.60
		4	5.30 – 18.10
		5	5.40 – 18.10
		6	5.60 – 10.60

Sources: NAPIC / Knight Frank Research

Prominent shopping centres in Selangor, namely 1 Utama Shopping Centre and Sunway Pyramid Shopping Mall command high rental rates ranging from RM10.50 per sq ft to RM58.60 per sq ft per month depending on the location / orientation / positioning of the retail lot within the mall, floor level, unit sizing and other factors.

Newer built shopping centres with more modern facilities and amenities such as Central i-City and Melawati Mall, have competitive rental rates ranging from RM5.00 per sq ft to RM32.60 per sq ft per month.

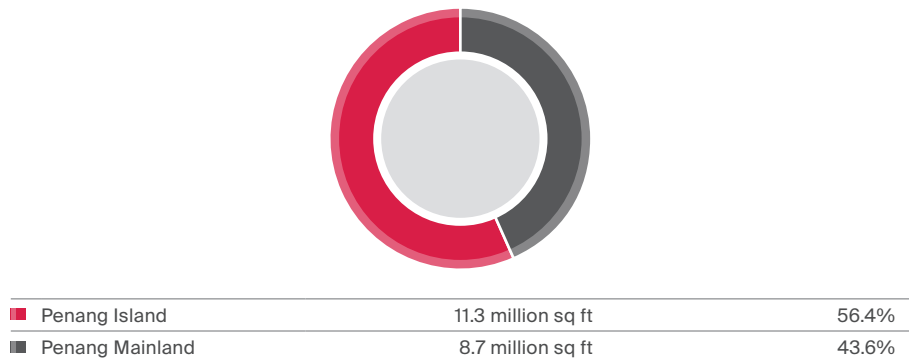
Meanwhile, rental levels of neighbourhood shopping centres which cater to the needs of local communities, such as Subang Parade and IOI Mall, remained firm and range from RM5.60 per sq ft to RM37.00 per sq ft per month.

3.2 Penang

3.2.1 Supply

The cumulative supply of retail space in Penang was recorded at 20.1 million sq ft as of 2023 (source: NAPIC). Penang Island accounted for 56.4% share (11.3 million sq ft) of the total retail stock while the balance 43.6% share (8.7 million sq ft) comes from Penang Mainland.

Chart 12: Penang - Existing Supply of Shopping Centres, Arcades and Hypermarkets, 2023<sup>(p)</sup>



Sources: NAPIC/Knight Frank Research

Two shopping malls are expected to be completed in 2024, namely Sunshine Mall in Air Itam and The Waterfront Shoppes Phase 1 in Gelugor. Both upcoming malls, located on Penang Island, form part of mixed-use developments, Sunshine Central and The Light City respectively. Sunshine Mall is targeted for opening in 2Q2024 while Phase 1 of the Waterfront Shoppes is slated for completion by 2H2024.

Table 5: Penang – Retail Centres Scheduled for Completion / Opening, 2024

Shopping Centre	Location	Estimated NLA (sq ft)
Sunshine Mall	Farlim	820,000
The Waterfront Shoppes Phase 1	Gelugor	680,000
Total		1,500,000

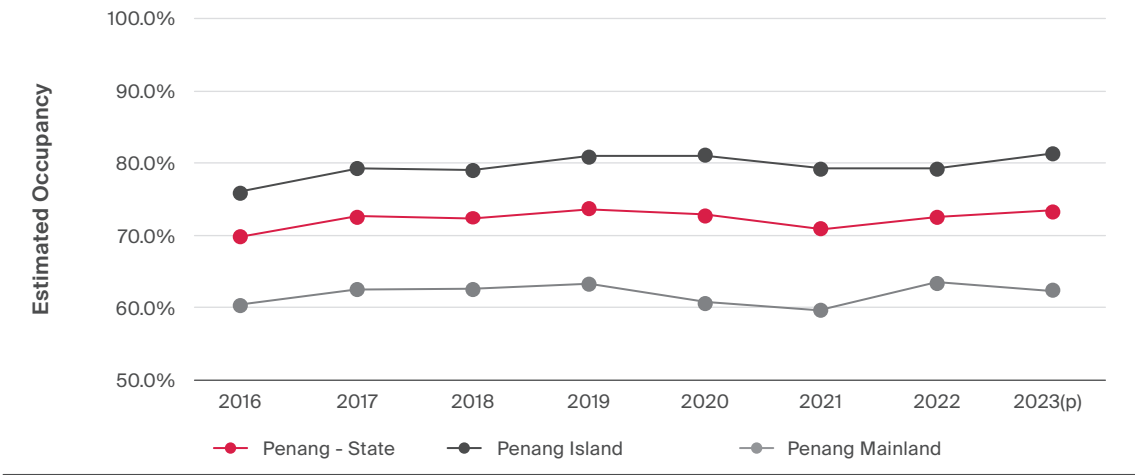
Source: Knight Frank Research

3.2.2 Occupancy

The average occupancy rate of retail space (inclusive of shopping centres, arcades and hypermarkets) in Penang (include Penang Island and Penang Mainland) has been fairly stable since 2016 and it peaked at 73.8% in 2019.

In 2021, the overall average occupancy rate dipped to 70.9% amid the unprecedented pandemic. Higher vacancies in the localities of Kepala Batas, Tasek Gelugor and Perai, led to an overall decline in the occupancy of Penang Mainland, dropping to 59.7% (2020: 60.6%), while in Penang Island, the occupancy rate also dipped to 79.4% (2020: 81.3%). In 2022, the average occupancy rate of malls in Penang improved to 72.6% and it further increased to 73.3% in 2023.

Chart 13: Penang – Average Occupancy Rate of Shopping Centres, Arcades and Hypermarkets, 2016 to 2023<sup>(p)</sup>



Sources: NAPIC/Knight Frank Research  
Note: (p) = Preliminary data

3.2.3 Rental Rates

In 2023, the rental rates of retail space in selected established shopping centres in the central town prime area on Penang Island remained stable.

The rental rates range from as low as RM1.40 per sq ft to as high as RM55.20 per sq ft per month, depending on factors such as location and condition of the mall, floor level and size of retail lots amongst others.

Table 6: Penang – Rental Rates of Selected Shopping Centres, 2023

Shopping Centre	Floor	Rental Range (RM per sq ft / month)
Gurney Plaza	Ground	18.60
	1	12.00 – 15.00
	2	9.00 – 9.20
	3	8.60
	4	7.50 – 7.80
	5	11.00
Gurney Paragon	Lower Ground	2.70 – 18.60
	1	5.30 – 38.20
	2	3.40 – 28.20
	3	1.90 – 24.00
	4	2.00 – 26.90
	5	3.40 – 55.20
	6	1.80 – 12.50

Table 6: Penang - Rental Rates of Selected Shopping Centres, 2023

Shopping Centre	Floor	Rental Range (RM per sq ft / month)
1 <sup>st</sup> Avenue	Lower Ground	1.80 – 13.10
	Ground	3.00 – 37.00
	1	1.40 – 15.00
	2	2.90 – 11.50
	3	2.30 – 7.60
	4	1.70 – 7.60

Sources: NAPIC / Knight Frank Research

3.3 Market Outlook

Following Malaysia’s retail industry strong rebound in 2022 (33.3%), the country’s retail sales growth for the full year of 2023 moderated to 2.2%. This is primarily attributed to rising retail prices, which consequently increase the cost of living and negatively impact Malaysian consumers’ purchasing power. Moving forward, Malaysia’s retail sales growth is expected to be at 4.0% in 2024.

Simultaneously, the country’s economy is projected to grow between 4.0% and 5.0%, underpinned by continued expansion in domestic demand and improvement in external demand.

For consumers, rising cost of living coupled high inflation continue to persist throughout the year, and this is expected to remain a primary challenge for the retail sector in 2024. Ongoing policy support by the government, including the ‘Payung Rahmah’ initiative was launched to cushion the impact of the rising cost of living. Under Budget 2024, the government allocated RM200 million for the ‘Payung Rahmah’ initiative in its commitment to ease the rising cost of living. The government also continues to allocate cash assistance and incentives to boost consumer spending, increasing 25% from the previous year to RM10 billion. The first payment of Sumbangan Tunai Rahmah (STR) was made to 8.2 million Malaysians in January 2024.

However, the introduction and increase of selective taxes may dampen growth in the retail market. This includes the increase in Sales and Service Tax (SST) from 6% to 8% percent (effective March 2024), the introduction of a 10% sales tax on imported low-value goods sold online (effective January 2024) and the proposed 5% to 10% percent luxury tax. The tax increments impact the entire supply chain. Thus, retailers experiencing higher tax liabilities will see rising operational costs, potentially eroding their profit margin and this may further elevate retail prices across essential, non-essential goods and services.

The weakening of Ringgit Malaysia since 2023 continues to put great pressure on companies reliant on imported goods or raw materials. These increased costs are often passed on to consumers. Nonetheless, the weaker local currency has presented opportunities in the tourism industry, as it has incentivised Malaysians to vacation domestically, as well as facilitate a faster recovery in foreign tourist arrivals.

Driven by Malaysia’s steady growth of digital consumers as well as a high penetration of e-wallets and digital payments, e-commerce is indispensable. Physicals stores remain vital; however, consumer have come to expect a seamless shopping experience, online and offline. Driven by the younger consumer, particularly the millennials and Gen Z, digital payments services / e-wallet is projected to gather further momentum. With continuing labour shortages, retailers are likely to turn to automation, investing more heavily and strategically in digital infrastructure.

With the ever-evolving retail landscape, retailers and mall operators are increasingly re-configuring their spaces and embarking on asset enhancement initiatives. Many have also incorporated ESG principles in their business strategies. Besides promoting experiential retail, thematic stores, and promotional events, these efforts aim to differentiate from a saturated market, while also distinguishing the shopping experience from online retail and lure consumers to physical stores.

Despite a challenging environment characterised by geopolitical fragmentation, rising inflation, volatile currency and heightened policy uncertainty, Malaysia’s economy is expected to expand 4.0% in 2024 (2023: 3.7%). Concurrently, the local retail sector is expected to sustain with steady domestic demand and backed by rising tourist arrivals.

Sustainability

- Focusing on Sustainability Beyond the Assets
- Sustainability Achievement in FY2024
- Milestone and Momentum
- The ESG Blueprint
- Bridging the Gap Through Communication
- Assessing the Material Matters
- Approach to Climate Disclosure
- Building Trust Through Excellent Governance
- Nurturing a Sustainable Future Through Environmental Stewardship
- Embracing Social Responsibility Through Community Empowerment
- Investing Towards a Sustainable Future
- Performance Data Table
- GRI Content Index





FOCUSING ON SUSTAINABILITY BEYOND THE ASSETS

Introducing the Sustainability Statement

As a responsible steward of real estate assets, we recognise the importance of integrating environmental, social and governance (ESG) principles into our business operations. The Sustainability Statement FY2024 (the Statement) outlines our sustainable practices, progress towards key ESG goals and contributions to building resilient communities, while preserving environmental integrity. We invite stakeholders to explore our efforts in advancing sustainability and value creation across the Trust's diverse portfolio spanning the Klang Valley (including Cyberjaya), Melaka and Penang.

Showcasing Our Accomplishments in FY2024

In the face of accelerating climate change, urgent action is imperative to mitigate its effects. Recognising the consequences that climate change has on the Trust's diverse portfolio, we set out to implement measures that will strengthen our sustainability practices and enhance the Trust's long-term asset value.

In FY2024, we focused on strengthening our climate-related disclosures, through which we identified climate-related risks and opportunities that provided an early understanding of potential impacts and challenges to the Trust's asset classes. We also initiated monitoring and reporting of Scope 1 and Scope 3 greenhouse gas (GHG) emissions, providing valuable insights for future emission reduction efforts across our managed properties.

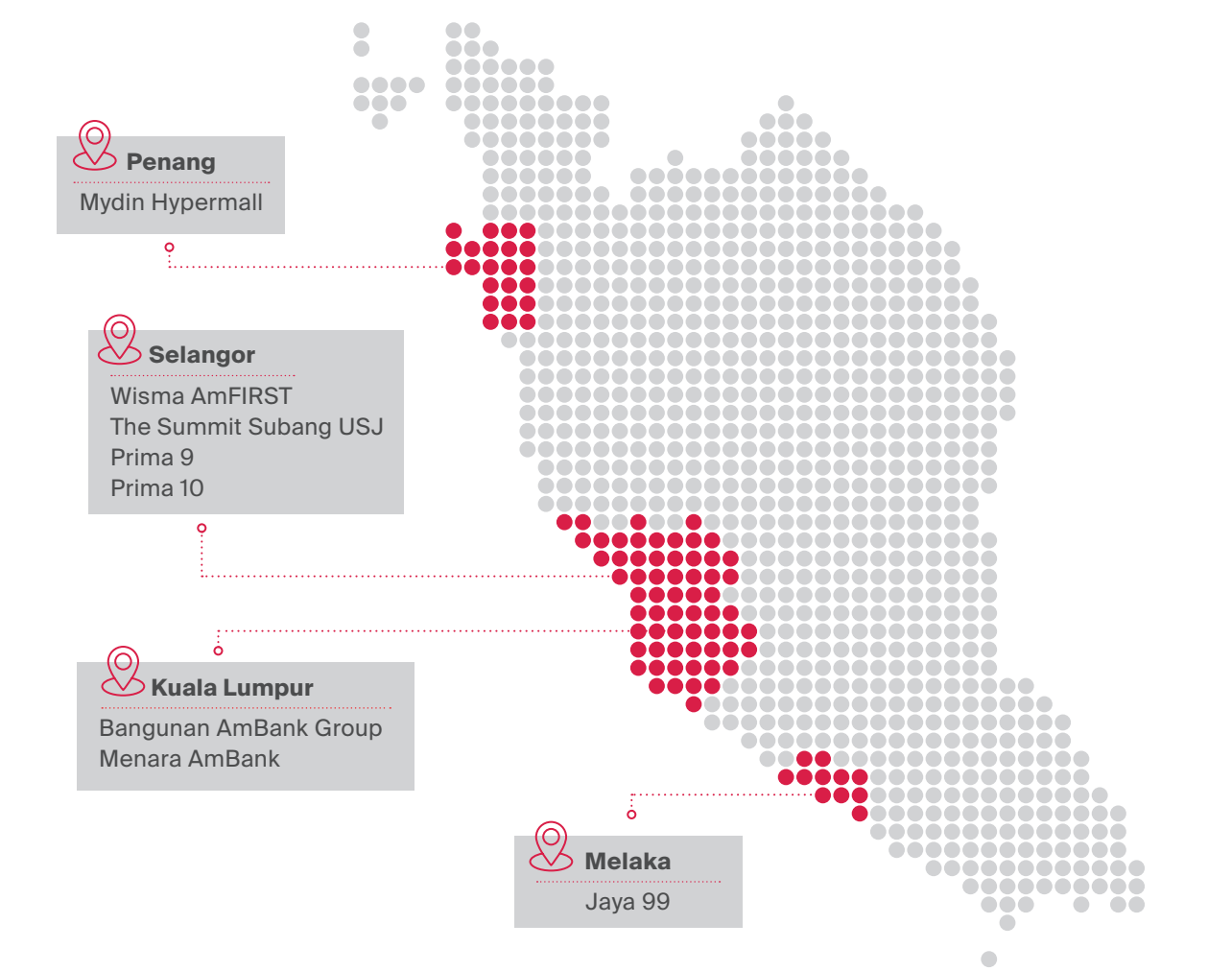
To support the United Nations Sustainable Development Goals (UN SDGs), we have adopted UN SDG 7: *Affordable and clean energy* in FY2024, further reflecting our ongoing efforts to increase our reliance on renewable energy sources.

Understanding the importance of collaboration in achieving our sustainability goals, we identified industry associations as a new stakeholder group. Engaging with these associations allows us to share best practices, learn from others' initiatives and advocate for a more sustainable built environment.

In addition, we prioritise the tenants' need by conducting a tenant satisfaction survey, aimed at gathering valuable feedback, including insights into our sustainability efforts, allowing us to better serve the tenants' needs while promoting a sustainable future for our managed properties.

Determining the Reporting Scope and Boundary



The reporting scope covers the Trust's sustainability performance from 1 April 2023 to 31 March 2024 (FY2024) for the Trust's eight properties, comprising approximately 3.1 million sq ft of NLA.



No.	Properties	Location	Gross Floor Area (m²)
1.	Bangunan AmBank Group	Kuala Lumpur	69,362
2.	Menara AmBank	Kuala Lumpur	84,331
3.	Wisma AmFIRST	Kelana Jaya	54,351
4.	The Summit Subang USJ	Subang Jaya	198,853
5.	Prima 9	Cyberjaya	24,540
6.	Prima 10	Cyberjaya	20,503
7.	Jaya 99	Melaka	47,979
8.	Mydin Hypermall	Bukit Mertajam	109,688

Abiding the Reporting Framework

The Statement was prepared with reference to Bursa Malaysia’s Main Market Listing Requirements on Sustainability Reporting and Bursa Malaysia’s Sustainability Reporting Guide (3<sup>rd</sup> Edition). To encourage comprehensive reporting on ESG disclosures, we aligned our reporting with Global Reporting Initiative (GRI) Standards and the UN SDGs.

Reporting Guideline	Reporting Standards	Contributions to Global Initiatives
 Bursa Malaysia’s Sustainability Reporting Guide (3 <sup>rd</sup> Edition)	 Global Reporting Initiatives (GRI) Standards	 UN Sustainable Development Goals (UN SDGs)

Upholding Data Assurance

All data disclosed in this Statement has been internally sourced, verified and validated by the respective business division heads and information owners. Moving forward, we intend to explore engagements with third-party assurers to further reinforce the integrity of our data.

Valuing Feedback

The Statement is available on the Trust’ corporate website at <https://www.amfirstreit.com.my>. We welcome comments or suggestions from our stakeholders to enhance our sustainability reporting and practices. Please direct all inquiries to the contact personnel below.

**Mr Chong Hong Chuon**  
Chief Executive Officer  
[chong-hong-chuon@ambankgroup.com](mailto:chong-hong-chuon@ambankgroup.com)

**Encik Abdul Rahman Bin Mohd Joned**  
Head, Finance  
[rahman-joned@ambankgroup.com](mailto:rahman-joned@ambankgroup.com)

Achievements fuel continuous improvement and the exploration of innovative solutions to tackle environmental and social challenges. We are pleased to highlight some of the accomplishments we have made and endeavour to drive meaningful contributions forward.







Guidelines Towards Balanced Progression

We integrate ESG values across our decision-making processes, management and roles to address the impacts we placed on both the people and environment. We strive to achieve a balance between business performance and sustainability by being progressive in our sustainability initiatives while creating long-term values for our stakeholders.

Strong Governance



To ensure high standards of ethics and integrity, we maintain stringent compliance with relevant laws and regulations, enhance our risk management system to identify appropriate risks and opportunities, as well as improve our data privacy and cybersecurity practices.

Environmental Stewardship



Recognising the impacts of climate change and the role we play to minimise our carbon footprint and other environmental impacts, we practice responsible management of resources and waste, extend our efforts across the value chain by integrating sustainability into our supply chain management.




Social Responsibility








We provide a safe, conducive, diverse and inclusive working environment for our workforce as they are the driving force behind our business, which directly impact our ability to deliver long-term economic value to our stakeholders. We are committed to give back to the society by investing in our people through development trainings and community programmes.

Taking Action for the UN SDGs

The seventeen UN SDGs serve as a blueprint to tackle global challenges encompassing the 5Ps: *People, Planet, Prosperity, Peace and Partnerships*. By focusing on eight relevant SDGs, we can make significant contributions through industry-specific initiatives.

 <b>UN SDG 4: Quality Education</b>	 <b>UN SDG 7: Affordable and Clean Energy</b>	 <b>UN SDG 8: Decent Work and Economic Growth</b>
<ul style="list-style-type: none"><li>● <b>Target 4.4</b> Skills for employment, decent jobs and entrepreneurship</li></ul>	<ul style="list-style-type: none"><li>● <b>Target 7.2</b> Expand infrastructure and upgrade technology for supplying modern and sustainable energy services</li></ul>	<ul style="list-style-type: none"><li>● <b>Target 8.5</b> Full and productive employment for all</li></ul>
<ul style="list-style-type: none"><li>● <b>Initiatives</b><ul style="list-style-type: none"><li>• Invested in employees' career advancement by providing trainings and development programmes to enhance their skills and knowledge.</li></ul></li></ul>	<ul style="list-style-type: none"><li>● <b>Initiatives</b><ul style="list-style-type: none"><li>• Conducted Energy Audit to identify energy saving opportunities.</li><li>• Installed solar-powered streets and compound lights.</li><li>• Received certifications under EMGS and National Building Energy Label.</li></ul></li></ul>	<ul style="list-style-type: none"><li>● <b>Initiatives</b><ul style="list-style-type: none"><li>• Provided competitive salaries and benefits package designed to meet the needs of our employees.</li><li>• Ensured the protection of labour rights by providing a safe, conducive and thriving workplace.</li></ul></li></ul>








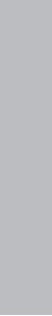



 <b>UN SDG 9: Industry, Innovation and Infrastructure</b>	 <b>UN SDG 11: Sustainable Cities and Communities</b>	 <b>UN SDG 12: Responsible Consumption and Production</b>
<ul style="list-style-type: none"><li>● <b>Target 9.4</b> Infrastructure with increased efficiency and clean technology</li></ul>	<ul style="list-style-type: none"><li>● <b>Target 11.7</b> Universal access to safe and accessible green and public space</li></ul>	<ul style="list-style-type: none"><li>● <b>Target 12.2</b> Sustainable management and efficient use of resources</li></ul>
<ul style="list-style-type: none"><li>● <b>Initiatives</b><ul style="list-style-type: none"><li>• Implemented energy-saving initiatives such as installing light-emitting diode (LED) lighting and photo/motion sensors.</li><li>• Supported local businesses through our procurement activities.</li></ul></li></ul>	<ul style="list-style-type: none"><li>● <b>Initiatives</b><ul style="list-style-type: none"><li>• Collaborated with AmBank on a sustainability programme entitled "Our Eden Campaign – Plastic Reborn Program" to install detergent refill station machine and recycle bins.</li><li>• Segregated office waste to be recycled by vendors.</li></ul></li></ul>	<ul style="list-style-type: none"><li>● <b>Initiatives</b><ul style="list-style-type: none"><li>• Implemented energy efficient upgrades such as energy efficient chilled water system and electric vehicle (EV) charging stations.</li><li>• Practiced responsible energy, water and waste management to reduce resource consumption.</li></ul></li></ul>

 <b>UN SDG 13: Climate Action</b>	 <b>UN SDG 16: Peace, Justice and Strong Institutions</b>
<ul style="list-style-type: none"><li>● <b>Target 13.1</b> Strengthen resilience and adaptive capacity to climate hazards</li></ul>	<ul style="list-style-type: none"><li>● <b>Target 16.5</b> Substantially reduce corruption and bribery in all their forms</li></ul>
<ul style="list-style-type: none"><li>● <b>Initiatives</b><ul style="list-style-type: none"><li>• Included Board oversight on climate-related risks and opportunities.</li><li>• Integrated climate consideration into business activities.</li><li>• Commenced Scope 1 and 3 GHG emissions monitoring.</li><li>• Educated employees on sustainability issues including climate change through ESG trainings.</li></ul></li></ul>	<ul style="list-style-type: none"><li>● <b>Initiatives</b><ul style="list-style-type: none"><li>• Maintained compliance with relevant laws and regulations.</li><li>• Conducted a corruption risk assessment across key operations.</li><li>• Established grievance mechanisms to ensure fair and accessible channels for addressing stakeholder concerns.</li></ul></li></ul>






3-Year ESG Roadmap

We remain guided by our ESG roadmap as we strive to effectively integrate sustainability into our operations. Established in FY2022, the roadmap serves as a comprehensive guide to optimise our sustainability activities while establishing key performance indicators (KPIs) to measure our progress. Our ongoing efforts are directed at achieving the FY2025 targets, as outlined in our KPIs, in alignment with this strategic plan.

Pillars	Commitments	Material Matters	UN SDGs
	Building Trust Through Excellent Governance	<ul style="list-style-type: none"><li>Upholding the highest standards of ethics and principles</li><li>Strengthening corporate governance practices</li><li>Implementing risk management procedures</li></ul>	<ul style="list-style-type: none"><li>Ethics and Integrity</li><li>Corporate Governance</li><li>Risk Management and Regulatory Compliance</li><li>Data Privacy and Cybersecurity</li></ul> <div></div>
	Nurturing Sustainable Future Through Environmental Stewardship	<ul style="list-style-type: none"><li>Ensuring efficient use of natural resources</li><li>Minimising the impacts of our business operations on the environment</li><li>Emphasising on carbon emission reduction</li></ul>	<ul style="list-style-type: none"><li>Energy Use and Climate Change</li><li>Water Management</li><li>Waste Management</li></ul> <div></div>
	Embracing Social Responsibility Through Community Empowerment	<ul style="list-style-type: none"><li>Engaging with stakeholders, including our employees and the community</li></ul>	<ul style="list-style-type: none"><li>Economic Performance</li><li>Occupational Health and Safety</li><li>Capacity Building</li><li>Employee Diversity and Inclusivity</li><li>Supply Chain Management</li><li>Contribution to Society</li></ul> <div></div>

Goals and Progress of the Roadmap

As we integrate the ESG roadmap with our KPIs, we measure our success by the positive outcomes achieved in our focus areas. This leads to our continued progress towards our targets throughout FY2024. Our KPIs which are based on our 3-Year ESG Roadmap, function as specific metrics for assessing development and performance across the three ESG aspects.

Pillars	Focus Area	FY2025 Target	Progress	FY2024 Achievement
	Ethics and Integrity	To provide at least <b>2 hours</b> of ethics training for all employees	Achieved	Provided a total of 14 hours of ethics and integrity training for each employees.
	Regulatory Compliance	To achieve <b>zero</b> recorded incidence of non-compliance	Achieved	Zero cases of non-compliance with laws or regulations.
	Risk Management	To conduct at least <b>2</b> risk assessments per year	Achieved	Risk assessments were conducted on a half-yearly basis.
	Climate Change	To reduce carbon emissions by <b>3%</b> year-on-year from FY2018 baseline	Achieved	4.5% reduction in carbon emissions compared to FY2023.
	Waste Management	To divert at least <b>5 tonnes</b> of waste generated year-on-year from landfill.	In-progress	Recycled 2.7 tonnes of waste.
	Water Management	To reduce overall water intensity by <b>2%</b> year-on-year from FY2018 baseline	In-progress	4.8% increase in water intensity compared to FY2023.
	Occupational Health and Safety	To have <b>100%</b> of employees participate in OHS-related training	Achieved	100% employees attended OHS-related training.
	Capacity Building	To maintain an average of <b>30 hours</b> of training for all employees	Achieved	Achieved 37.7 average training hours per employee.
	Employee Diversity and Inclusivity	To organise at least <b>4</b> annual engagement activities for employees	Achieved	Organised 16 total sessions of engagement activities.
	Contribution to Society	To pledge at least <b>RM10,000</b> towards charitable causes	In Progress	Contributed RM9,090 in community programmes.

Driving Change Through Leadership

Our sustainability governance structure ensures the consistent and integrated application of sustainability principles throughout our entire organisational hierarchy. The framework fosters the effective implementation of our sustainability strategy, overseeing matters such as goal setting, reporting processes and stakeholder engagement.



The Board

The role of the Board entails strategic oversight on the advancement of sustainability strategies, focusing on policies and objectives, material sustainability concerns, ESG risks and opportunities which includes climate-related factors.

In addition, the responsibility involves granting final approval for sustainability-related policies and strategies proposed by the Sustainability Management Team. The oversight ensures alignment with sustainability objectives and reinforces our commitment to responsible business practices.



Sustainability Management Team (SMT)

The SMT develops strategies and recommends adjustments to sustainability policies, standards and procedures. The team ensures compliance with relevant regulations, endorses material issues identified by the SWT and assesses material ESG risks and opportunities, including climate-related factors.

In addition, the SMT oversees the strategic management of these material issues and the implementation of related initiatives, ensuring the alignment of our sustainability efforts with overall organisational objectives.

Sustainability Report is submitted to the Board quarterly, providing updates on sustainability initiatives and progress.



Sustainability Working Team (SWT)

The SWT implements strategies and initiatives to manage ESG risks and opportunities within daily operations, including adjustments to sustainability policies, standards and procedures, alongside the collection, monitoring and management of ESG data.

The SWT engages with stakeholders to identify material sustainability matters relevant to both the business and stakeholders.

Working with our stakeholders enable us to understand their needs, interests and expectations. Fostering collaborative relationship addresses concerns and aligns our business strategy with key priorities, facilitating the enhancement of our sustainability strategies and performance.

	Unitholders or Investors	Regulatory Authorities and Statutory Bodies	Suppliers	Trustee
Why They Matter?	Strong relations with Unitholders and investors ensure ongoing capital, liquidity and market perception, which are essential for sustainable performance and success.	Regulatory authorities and statutory bodies ensure compliance with laws, protect investor interests and maintain market stability. Adherence to regulatory standards enables us to operate legally, access capital markets and foster trust among investors.	Suppliers provide products and services necessary for property maintenance, which ensure efficient property management, cost-effectiveness and the preservation of asset value.	Trustee hold legal title to the portfolio properties for Unitholders, ensuring regulatory compliance and safeguarding investor interests, thereby maintaining transparency and accountability in our operations.
How We Engage?	<b>Annually</b> <ul style="list-style-type: none"><li>Annual General Meeting</li><li>Annual Report</li></ul> <b>Quarterly</b> <ul style="list-style-type: none"><li>Quarterly Results</li><li>Corporate Presentations</li></ul> <b>As Needed</b> <ul style="list-style-type: none"><li>Corporate Website</li><li>Investor Briefings</li><li>Enquiry Channels</li></ul>	<b>Quarterly/ Semi-Annually/ Annually</b> <ul style="list-style-type: none"><li>Regular Reportings</li></ul> <b>As Needed</b> <ul style="list-style-type: none"><li>One-to-one Meetings</li><li>Audits</li></ul>	<b>Annually</b> <ul style="list-style-type: none"><li>Performance Review</li></ul> <b>Monthly</b> <ul style="list-style-type: none"><li>Monthly Meetings</li><li>Site Visit</li></ul> <b>As Needed</b> <ul style="list-style-type: none"><li>One-to-one meetings</li></ul>	<b>Annually</b> <ul style="list-style-type: none"><li>Annual General Meeting</li></ul> <b>As Needed</b> <ul style="list-style-type: none"><li>Regular Reporting</li><li>One-to-one Meetings</li></ul>
Areas of Concern	<ul style="list-style-type: none"><li>Financial Performance</li><li>Income Distribution</li><li>Unit Price</li><li>Return on Investment</li></ul>	<ul style="list-style-type: none"><li>Non-Compliance</li><li>Financial Reporting and Transparency</li><li>Corporate Governance</li><li>Labour Practices</li><li>Environmental Regulations</li></ul>	<ul style="list-style-type: none"><li>Transparent Procurement Process</li></ul>	<ul style="list-style-type: none"><li>Regulatory Compliance</li><li>Asset Protection</li><li>Financial Performance</li><li>Sustainable Growth</li><li>Fund Stability</li></ul>
Response to Concerns	<ul style="list-style-type: none"><li>Conducted regular engagement sessions with investors to communicate critical issues.</li></ul>	<ul style="list-style-type: none"><li>Appointed a dedicated Compliance Officer to review our compliance with relevant regulations.</li><li>Implemented governance policies and guidelines in line with applicable regulatory requirements.</li></ul>	<ul style="list-style-type: none"><li>Conducted supplier due diligence in a fair and transparent manner prior to their appointment.</li><li>Evaluated supplier performance to improve supply chain efficiency.</li></ul>	<ul style="list-style-type: none"><li>Established policies and guidelines on governance and control to ensure ethical behaviour and promote responsible investments.</li></ul>



BRIDGING THE GAP THROUGH COMMUNICATION

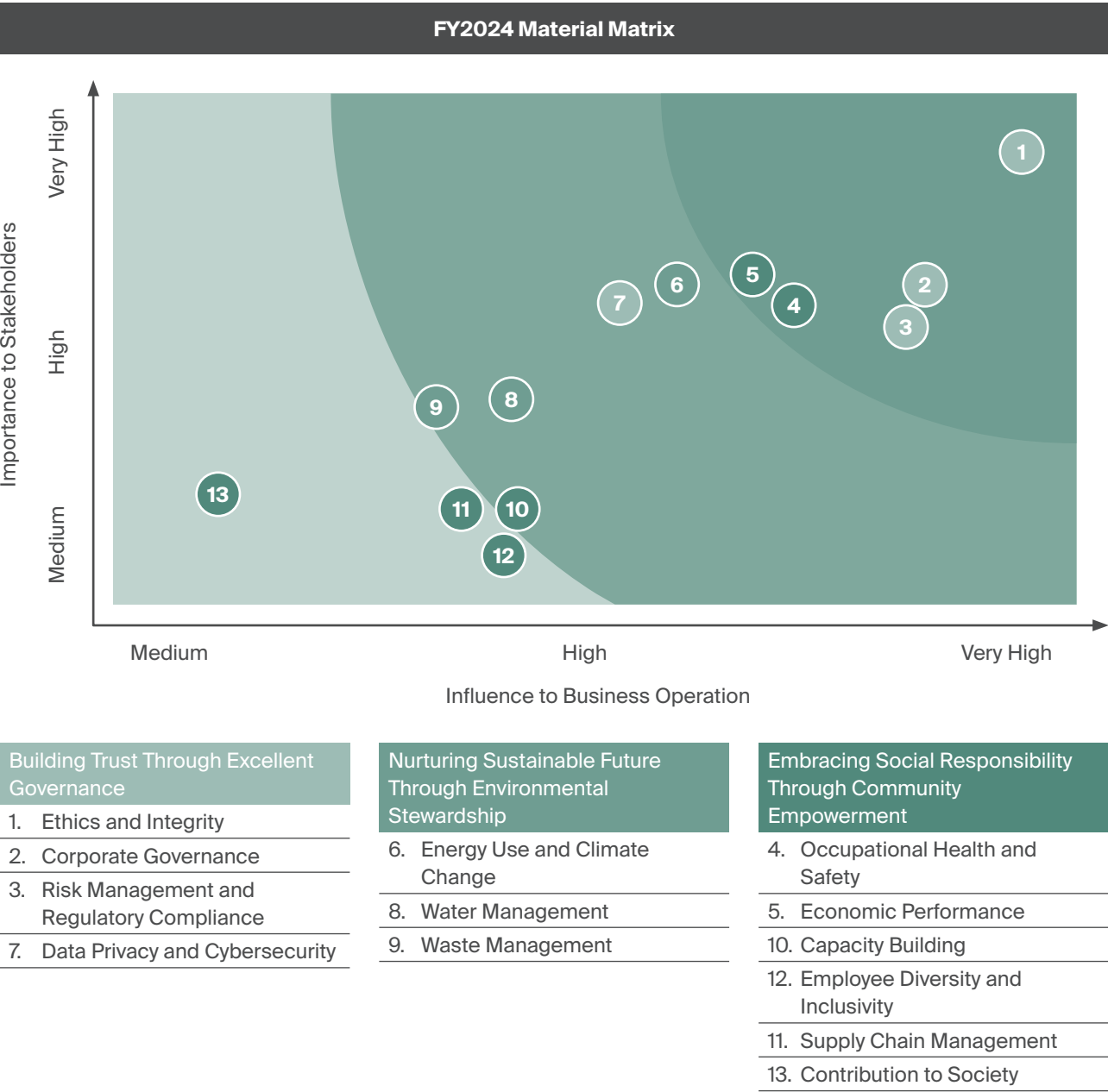
	Employees	Tenants	Industry Associations	Local Communities
Why They Matter?	Employees contribute to the effective functioning and profitability of the business with their expertise and dedication, ultimately driving long-term success for the Trust.	Tenants contribute to rental income, ensuring financial stability and profitability for the Trust. Maintaining positive tenant relations and high occupancy rates are essential for maximising revenue, enhancing property value and optimising investor returns.	Engaging with industry associations enable us to stay informed about market trends, best practices and regulatory changes. This foster collaboration and enhances the overall competitiveness of the Trust.	Building positive relationships with communities through sustainable development practices and community engagement initiatives enhances our reputation, attract tenants and support long-term growth.
How We Engage?	<b>Annually</b> <ul style="list-style-type: none"><li>Team Building</li><li>Employee Engagement Survey</li><li>Performance Appraisals</li></ul> <b>Quarterly</b> <ul style="list-style-type: none"><li>Staff Meetings</li><li>Staff Engagements</li></ul> <b>As Needed</b> <ul style="list-style-type: none"><li>Learning and Development</li><li>Company Newsletter</li><li>Induction Trainings</li><li>Company Newsletters</li></ul>	<b>Annually</b> <ul style="list-style-type: none"><li>Tenant Satisfaction Survey</li><li>Fire Drills</li><li>Occupational Safety and Health (OSH) Awareness Seminars</li></ul> <b>As Needed</b> <ul style="list-style-type: none"><li>Office Notices</li><li>One-to-one Meetings</li><li>Enquiry Channels</li><li>Partnerships with tenants</li></ul>	<b>Annually</b> <ul style="list-style-type: none"><li>Annual General Meeting</li></ul> <b>As Needed</b> <ul style="list-style-type: none"><li>Announcement on Industry Association's website</li><li>Social Events and Forums</li><li>MRMA Meetings</li><li>Membership</li></ul>	<b>Annually</b> <ul style="list-style-type: none"><li>Community Events</li><li>Sponsorships and Donations</li></ul>
Areas of Concern	<ul style="list-style-type: none"><li>Job Benefits</li><li>Career Development</li><li>Recognition and Appreciation</li><li>Safe Work Environment</li></ul>	<ul style="list-style-type: none"><li>Building Safety and Security</li><li>Provision of Building Services and Amenities</li></ul>	<ul style="list-style-type: none"><li>Industry Potential and Outlook</li><li>Policies by Regulators</li></ul>	<ul style="list-style-type: none"><li>Social Contributions</li></ul>
Response to Concerns	<ul style="list-style-type: none"><li>Provided career advancement and upskilling opportunities, as well as competitive benefits.</li></ul>	<ul style="list-style-type: none"><li>Conducted fire drills to help tenants understand the basics of fire prevention.</li><li>Provided safety and health trainings to safeguard tenant's wellbeing.</li></ul>	<ul style="list-style-type: none"><li>Hold active membership in industry associations.</li><li>Implemented measures to enhance transparency and communication.</li></ul>	<ul style="list-style-type: none"><li>Organised Corporate Social Responsibility (CSR) programmes and provided aid or donations to underprivileged groups, including those with special needs.</li></ul>

ASSESSING THE MATERIAL MATTERS

Pinpointing Sustainability Priorities











Through a systematic materiality assessment process, we identify the operational and strategic issues that significantly impact both our stakeholders and our business. This approach equips us to adapt and thrive in a dynamic market landscape and evolving regulatory environment.








To ensure the continued relevance of these identified issues, we conduct regular reviews and updates to our materiality matrix, allowing us to prioritise our sustainability efforts on the areas that matter most. In FY2024, we maintained our materiality matrix as the identified issues remain pertinent to our business operations and stakeholder concerns. These top five material matters continue to be: **Ethics and Integrity, Corporate Governance, Risk Management and Regulatory Compliance, Occupational Health and Safety**, as well as **Economic Performance**.



The Sustainability Matters Essential to Us

Our material sustainability matters are deeply intertwined with our ESG pillars, key stakeholders and UN SDGs. The interconnectedness identified through our materiality assessment and ESG Roadmap allows us to take a holistic approach to sustainability and make significant contributions towards both our stakeholders' goals and the broader UN SDGs.

Material Matters	Description	Stakeholder	UN SDGs
Building Trust Through Excellent Governance			
Ethics and Integrity	Adhered to principles, transparency and ethical conduct to foster trust with stakeholders.	<ul style="list-style-type: none"><li>Unitholders or Investors</li><li>Trustee</li><li>Employees</li></ul>	
Corporate Governance	Ensured accountability to transparent operations by governing through clear policies, ethical standards and effective oversight mechanisms.	<ul style="list-style-type: none"><li>Unitholders or Investors</li><li>Trustee</li><li>Employees</li><li>Regulatory Authorities &amp; Statutory Bodies</li></ul>	 
Risk Management and Regulatory Compliance	Practised good risk management through identifying, assessing and controlling potential risks and adhered to applicable laws and regulations.	<ul style="list-style-type: none"><li>Regulatory Authorities and Statutory Bodies</li><li>Unitholders or Investors</li><li>Industrial Associations</li><li>Trustee</li></ul>	
Data Privacy and Cybersecurity	Safeguarded digital information and digital assets from unauthorised access and cyber threats.	<ul style="list-style-type: none"><li>Employees</li><li>Tenants</li><li>Unitholders or Investors</li><li>Regulatory Authorities and Statutory Bodies</li></ul>	
Nurturing Sustainable Future Through Environmental Stewardship			
Energy Use and Climate Change	Mitigated climate risks and impacts by the monitoring of GHG emissions and the adoption of energy-efficient measures.	<ul style="list-style-type: none"><li>Unitholders or Investors</li><li>Tenants</li><li>Local communities</li><li>Regulatory Authorities and Statutory Bodies</li></ul>	  
Water Management	Ensured responsible management and efficient utilisation of water resources in our operations.	<ul style="list-style-type: none"><li>Unitholders or Investors</li><li>Tenants</li><li>Local communities</li><li>Regulatory Authorities and Statutory Bodies</li></ul>	
Waste Management	Managed the generation and disposal of waste within our operations.	<ul style="list-style-type: none"><li>Unitholders or Investors</li><li>Regulatory Authorities and Statutory Bodies</li><li>Local communities</li></ul>	

Embracing Social Responsibility Through Community Empowerment			
Economic Performance	Managed the Trust's financial activities including budgeting to achieve sustainable growth and financial objectives.	<ul style="list-style-type: none"><li>Unitholders or Investors</li><li>Trustee</li></ul>	
Occupational Health and Safety	Maintained a safe environment in compliance with relevant laws and regulations.	<ul style="list-style-type: none"><li>Regulatory Authorities and Statutory Bodies</li><li>Employees</li><li>Tenants</li></ul>	
Capacity Building	Nurtured employees through professional development opportunities.	<ul style="list-style-type: none"><li>Employees</li></ul>	 
Employee Diversity and Inclusivity	Provided equal opportunities and fostered a respectful, inclusive workplace for employees from diverse backgrounds.	<ul style="list-style-type: none"><li>Employees</li></ul>	
Supply Chain Management	Integrated best practices for the management of flow of goods and services to bring value to customers.	<ul style="list-style-type: none"><li>Suppliers</li></ul>	
Contribution to Society	Engaged in philanthropic efforts to demonstrate responsible corporate citizenship that benefits the communities.	<ul style="list-style-type: none"><li>Local communities</li></ul>	

- # Approach to Climate Disclosure

Addressing challenges posed by climate change is crucial for our operations and long-term value creation. As a real asset investment trust manager, we recognise the necessity of understanding both the physical and transitional risks associated with climate change. Our commitment to being resilient in the face of climate-related challenges is evident in our climate resilience strategy.

- # The Mission to Achieve Carbon Neutrality

Prioritise decarbonisation efforts and support the transition to net zero through green building solutions to create a climate-resilient, low-carbon real estate portfolio for a sustainable future.

# APPROACH TO CLIMATE DISCLOSURE

## Addressing Climate Challenges

In FY2024, we enhance our climate-related disclosures to ensure clear, consistent and decision-useful information on climate-related risks and opportunities. By doing so, we are able to gain decision-useful insights into how climate factors may impact our business and the Trust’s asset portfolio.

## Governance

The Board has oversight on climate-related risks and opportunities for our operations. The SMT bears responsibility for assisting the Board in assessing and strategic management of climate-related risks and opportunities.

The Board	Management
<ul style="list-style-type: none"> <li>The Board provides strategic oversight regarding sustainability strategies, policies and performance, encompassing climate-related matters.</li> <li>The Board reviews and approves ESG KPIs, as well as climate-related indicators.</li> </ul>	<ul style="list-style-type: none"> <li>The SMT recommends sustainability strategies and initiatives to the Board, including climate-related aspects.</li> <li>The SMT assesses and oversees the implementation of sustainability initiatives and performance, including climate-related considerations.</li> </ul>

The Board proactively stays informed about the latest climate-related issues and their potential impact on the Trust and company.

Participation in Industry Events

The Board participated in industry events and conferences to stay abreast of the latest climate updates to ensure that they are well-equipped to make informed decisions regarding the sustainability strategy. Some examples of these events include:

- 2nd ASIAN Economy Impact - Climate Change Risk
- AmBank Group International ESG Conference 2023

Beyond event participation, the Board receives regular updates on climate change and other ESG matters.

Quarterly ESG Reporting

ESG reports are presented to the Board on a quarterly basis. These reports include detailed information on climate change issues and their potential impact to the Trust and the Manager, apart from reporting the ESG performance.

Bi-annual risk register review

At the Board meeting, the Board conducts a thorough review of the Risk Register Profile, including the climate change entry. Through regular reviews, we conduct ongoing monitoring and adaptation of strategies as needed.



Strategy

We identified significant climate-related risks and opportunities, which are categorised into transition and physical risks. Transition risks involve challenges encountered during the transition to a low-carbon economy, driven by legislative and market changes. Physical risks stem from the direct effects of climate change, such as extreme weather events and temperature increases, leading to asset damage, business interruptions and supply chain disruptions.

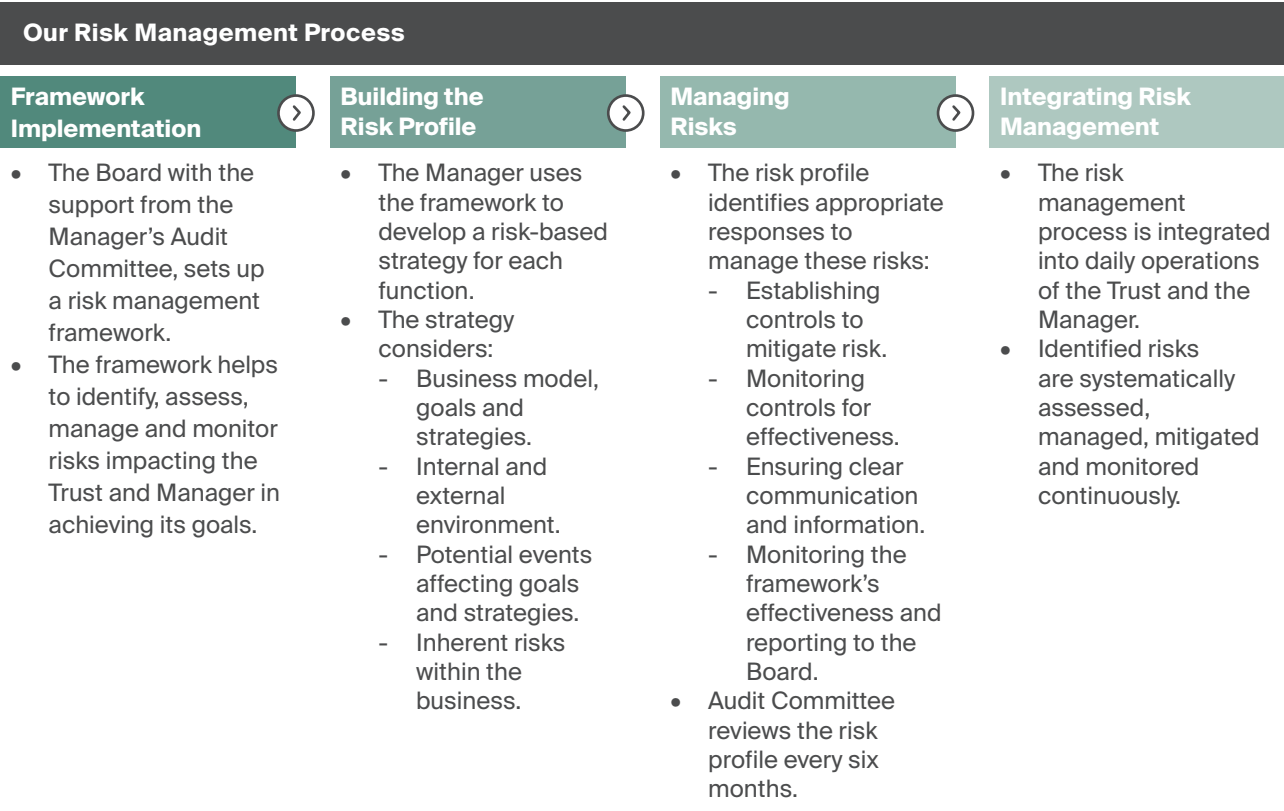
Transition Risks			
Types of Climate-Related Risks	Potential Financial Impacts	Potential Opportunities	
Policy and Legal (Medium – Long Term)	<ul style="list-style-type: none"><li>Potential implementation of more stringent environmental regulations and standards.</li><li>Rise in green certifications (e.g. GBI, LEED, etc.) for buildings.</li><li>Enhanced reporting of ESG disclosures by regulators.</li></ul>	<ul style="list-style-type: none"><li><b>Potentially Rising Operating Cost:</b> Higher insurance premiums due to increased risks associated with climate change (e.g. flash floods, storms, etc.), in addition to increase in electricity prices.</li><li><b>Increased Compliance Cost:</b> Increased expenses related to meeting disclosure requirements and other regulatory compliance efforts.</li></ul>	<ul style="list-style-type: none"><li><b>Pursuit of Green Building Certifications:</b> Enhances asset market competitiveness due to increased interest in green properties from tenants and investors.</li><li><b>Avoidance of Penalties:</b> Prevention of future fines and legal costs associated with climate risks by meeting regulatory standards.</li></ul>
	<ul style="list-style-type: none"><li>Costs associated with transitioning to lower-emission technologies (e.g. LED lighting, water saving fixtures, smart meters, energy-efficient high-efficiency heating, ventilation and air conditioning (HVAC) systems, renewable energy, etc.).</li><li>Potential stranded assets due to inadequate technological adoption and transformation into green properties.</li></ul>	<ul style="list-style-type: none"><li><b>Increased Capital Costs:</b> Significant expenditures on investment of new technologies and training in new technologies related to emission reduction initiatives such as energy-efficient systems, renewable energy sources and smart building technology.</li><li><b>Increased Operating Cost:</b> Higher energy and maintenance costs, including necessary capital expenditure for retrofits and upgrades to keep buildings competitive and compliant with evolving technology.</li></ul>	<ul style="list-style-type: none"><li><b>Efficient Systems Technology:</b> Long-term reduction in operating costs through lower energy and water usage, improving operational efficiency.</li><li><b>Resource Optimisation:</b> Adoption of technologies for harvesting rainwater and recycling waste materials.</li><li><b>Renewable Energy:</b> Long-term operational efficiency gains and reduced energy costs by integrating renewable energy sources such as solar power.</li></ul>
	<ul style="list-style-type: none"><li>Shifting market demand and tenant preferences towards green properties.</li></ul>	<ul style="list-style-type: none"><li><b>Reduced Revenue:</b> Potential loss of tenants or difficulty in attracting new tenants resulting in lower occupancy and rental income.</li><li><b>Increased Capital Costs:</b> Increased capital expenditure to retrofit or upgrade green technologies in older buildings.</li><li><b>Valuation Impact:</b> Properties that fail to meet sustainability criteria may be devalued as investors seek to minimise climate-related risks in their portfolio.</li></ul>	<ul style="list-style-type: none"><li><b>Green Property Assets:</b> Enhances property value and market competitiveness through green leases, green building certifications and sustainable property management practices.</li></ul>

Physical Risks			
Types of Climate-Related Risks	Potential Financial Impacts	Potential Opportunities	
Acute (Short – Long Term)	Increasing frequency and severity of extreme weather events (floods, storms, landslides).	<ul style="list-style-type: none"><li><b>Increased Operating and Capital Costs:</b> Repairs of building and facility damage, building and facility maintenance, higher energy costs due to higher average temperature, etc.</li><li><b>Reduced Revenue:</b> Operational and services disruption, decreased rental revenue.</li><li><b>Higher Insurance Premiums:</b> Due to extreme weather events and health and safety concerns at affected assets.</li><li><b>Asset Write-offs:</b> Early write-offs of existing assets, particularly in high-risk locations where damage occurs.</li></ul>	<ul style="list-style-type: none"><li><b>Building Electrification and Resilience Planning:</b> Transition to renewable energy, evaluate potential risks, develop strategy to prepare and respond to potential disruption enhance resilience of the Trust’s properties.</li><li><b>Energy Efficiency Upgrades:</b> Transition to energy-efficient air-conditioning systems and implementing optimal temperature controls which reduce utility expenses and environmental impact.</li><li><b>Strategic Asset Management:</b> Acquisition of properties with low risks or features designed to tolerate extreme weather conditions which reduces vulnerability to natural disasters and climate-related events.</li></ul>
	Changes in precipitation patterns, weather variability, rising temperatures, and sea level increases.		<ul style="list-style-type: none"><li><b>Geographic Diversification:</b> Build a diverse asset portfolio to spread risk and minimise exposure to specific high-risk locations.</li><li><b>Insurance Programme Management:</b> Regularly review and oversee the insurance programme to ensure the adequacy of coverage and monitor rising premiums in specific locations.</li></ul>

Risk Management

To ensure comprehensive risk assessment, we have incorporated climate change as a critical item within our risk register profile, enabling a thorough evaluation of climate-related risks, alongside other business considerations.

Furthermore, ESG risk considerations are fully integrated into our broader risk management framework. Overseen by the Risk Management Committee (RMC), the framework provides a systematic and consistent approach to managing all risks, including those related to climate change, enabling us to identify and assess the key climate-related risks that could potentially impact our operations.



Metric and Targets

Based on our ESG Roadmap, we identified Energy Use and Climate Change together with Waste Management as the two most material climate-related matters impacting our business. We track and disclose the following metrics to assess our performance in these areas.

Metric	Unit	Description
GHG Emissions	tCO <sub>2</sub> e	Quantifies Scope 1, 2 and 3 (limited to business travels and employee commute) GHG emissions.
Waste	MT	Measures total amount of waste generated.
Energy Usage	GJ	Tracks total fuel and electricity consumption.
Water Usage	Megalitres	Measures total water consumption.

In addition, a set of KPIs derived from the ESG Roadmap focuses on efforts to reduce our emissions and waste generation, with targets set to be achieved by FY2025. To support our sustainability goals, we have also allocated approximately RM9 million for climate-related initiatives over the next three years.

Details regarding our management approach and performance data can be found in the “Energy Use and Climate Change” section in page 95 - 98.

- Building Trust Through Excellent Governance**

We prioritise transparent policies, ethical practices and effective risk management in our operations. The Board, Management and employees support these essential components that impact and guide the integration of sustainability into our ESG initiatives for long-term success. Upholding high business ethics through our core values, the team ensures disciplined governance and risk management that forms the basis for our decision-making.
  - Our Mission to Achieve Good Governance**

Uphold the highest standards of ethics and compliance, embracing industry best practices and commitment to best-in-class sustainability standards in all our business activities.
  - Material Sustainability Matters**
    - Ethics and Integrity
    - Corporate Governance
    - Risk Management and Regulatory Compliance
    - Data Privacy and Cybersecurity

- Key Highlights in FY2024**

Zero cases of non-compliance to Regulations

Zero cases of bribery and corruption

Zero cases of privacy breach and data loss
  - Contribution to the UN SDGs**

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

16 PEACE, JUSTICE AND STRONG INSTITUTIONS
  - Key Stakeholder Groups**







BUILDING TRUST THROUGH EXCELLENT GOVERNANCE

Corporate Governance

Why this is Important?

Strong corporate governance builds trust and achieves sustainable business growth, emphasising transparency, fairness and trustworthiness in decision-making. The Board and Management act in the best interests of Unitholders and stakeholders, contributing to long-term value creation.

Our Approach

We take corporate governance seriously by promoting sound governance practices. By adhering to these principles, we aim to ensure accountability and long-term sustainability of our business.

Clear Policies and Procedures



Clear policies and procedures are established to ensure responsible management across all activities. In FY2024, all departmental policies were reviewed and updated in alignment with best practices.

Internal Controls and Risk Management



Internal controls and risk management processes safeguard the Trust's assets, mitigate risks and ensure accountability. We engage internal and external auditors annually to independently assess the effectiveness of our controls.

Diversity and Talent



AmBank Group's Nomination and Remuneration Committee's (GNRC) guidelines are reflected in the Board and Senior Management composition, promoting gender diversity where applicable. Qualifications and experience are central to attracting and retaining talent essential for achieving long-term goals. Remuneration policies and decisions undergo a transparent and independent process.

Compliance and Ethics

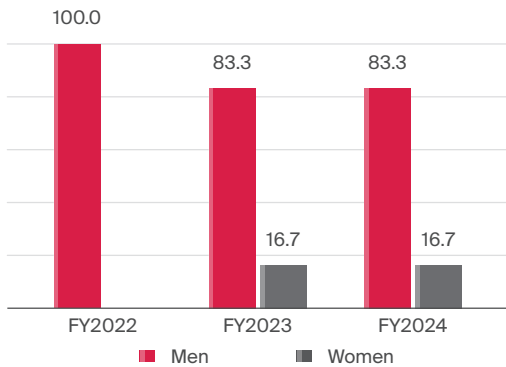


Our governance framework incorporates the principles of the Code, ensuring clear lines of authority and accountability. An independent Compliance and Risk Department assists the Board in formulating guidelines and policies to protect against unlawful acts and foster a culture of good conduct.

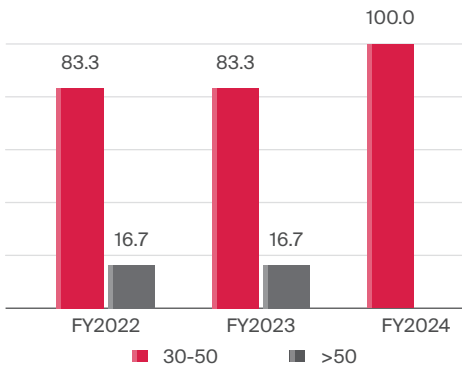
Our Performance

In FY2024, our board composition reflected 83% men and 17% women. All of our board members aged 50 and above.

BOARD GENDER DIVERSITY (%)



BOARD AGE DIVERSITY (%)



Ethics and Integrity

Why this is Important?

We conduct our business and affairs with integrity and in accordance with the highest ethical and legal standards. Upholding a high standard of integrity and ethical conduct forms a fundamental aspect that provides assurance and trust for our valued stakeholders.

Our Approach

Guided by AmBank Group's ethical standards, we adhere to a comprehensive set of policies grounded in responsibility, inclusivity and conscientiousness. Compliance oversight and biennial reviews of corporate policies, procedures and controls fall under the purview of the Board with support from relevant Board Committees.

Code of Conduct and Code of Ethics

The Code of Conduct outlines clear guidelines for employee behaviour at work and when interacting with stakeholders. Additionally, our Code of Ethics defines core values and six key principles that guide our actions.

- **Compliance:** Adhering to all laws and regulations
- **Responsible:** Managing conflicts of interest with honesty and integrity
- **Ethical:** Practicing honesty and integrity in all endeavours
- **Accurate:** Ensuring completeness and accuracy of financial records
- **Trustworthy:** Safeguarding the confidentiality and sensitivity of information
- **Equitable:** Treating all individuals and communities with respect

Anti-Bribery and Corrupt Practices Policy

In line with our zero-tolerance stance on bribery and corruption, our Anti-Bribery and Corrupt Practices (ABCP) Policy prohibits such behaviour and mandates the recording of all received gifts or rewards in a Gift Registry for audit.

Furthermore, we conduct necessary due diligence on potential business partners. "Know Your Customer" verification is done before any commercial transactions to safeguard against potential fraud or money laundering activities.

Whistleblower Protection Policy

The Whistleblower Protection Policy offers a platform for stakeholders to report any witnessed potential improper conduct or malpractice without fear of retaliation. This policy ensures anonymity and protection for whistleblowers who file complaints in good faith and cooperate with investigations. Additionally, stakeholders can invoke the policy to safeguard their identity for confidentiality and safety reasons when deemed appropriate.

Policy Training and Communication

All policies relevant to ethical business practices are accessible on the Trust's corporate website, ensuring clear communication and accessibility. Employees are kept informed about policy updates or changes through the measures below:

- Onboarding sessions for new hires and periodic briefings as necessary.
- Email notifications whenever policies are amended or updated.
- Company-wide training sessions covering the Code of Conduct and Know Your Customer (AML/KYC) procedures.



Our Performance

Our employees are equipped with knowledge to act ethically through recurring awareness training programmes on anti-corruption practices and our Whistleblower Protection Policy.

Employee Anti-Corruption Training

Employee Who Received Anti-Corruption Training (%)			
Employee Category	FY2022	FY2023	FY2024
Management	100.0	100.0	100.0
Executive	100.0	100.0	100.0
Non-Executive	100.0	66.7	66.7

Corruption Risk Assessment

	FY2022	FY2023	FY2024
Percentage of operations that underwent corruption risk assessments (%)	-	-	-
Percentage completion of the planned KCT that underwent corruption risk assessment (%)	100.0	100.0	100.0

Corruption and Whistleblowing Incidents

	FY2022	FY2023	FY2024
Number of confirmed corruption incidents	-	-	-
Number of incidents of whistleblowing	-	-	-

Risk Management and Regulatory Compliance

Why this is Important?

Effective risk management and adherence to regulatory requirements safeguards our financial performance and long-term viability. Through our enterprise risk management (ERM) processes, we enable early identification of risks to make decisions that mitigate risks and align with the long-term interests of our stakeholders.

Our Approach

Risk Management

Several practices are implemented for effective risk management.

1

**Board-led Strategy:** The Board provides oversight over the risk management strategies that prioritises ESG factors for sustainable stakeholder value creation.

2

**Risk Management Framework:** We maintain a robust risk management framework aligned with AmBank Group's policies. The framework is supported by RMC that includes the Chief Executive Officer, department heads as well as Compliance and Risk Department representatives.


Regulatory Compliance

We conduct our business in line with all relevant laws and regulations that are upheld by governmental authorities, such as the Capital Markets Services (CMSA) Act, SC's Listed REIT's Guidelines and Bursa Malaysia's Listing Requirements. To maintain stringent regulatory compliance, our Compliance and Risk Department conducts regular Key Control Testing, Key Risk Indicator analysis and quarterly compliance checks.

Operating in a regulated environment, we understand the importance of employee awareness and this, we provide trainings to ensure everyone understands their obligations.

1


**Trainings and Refreshers**



Both new and existing employees participate in training sessions and refresher courses on relevant laws, regulations and Code of Conduct.

2


**Annual Affirmation**



The Board and all employees undergo a mandatory annual affirmation of the Code, reinforcing our shared commitment to ethical behaviour.

3

**Systematic Risk Identification**



The RMC works to systematically identify and assess key risks impacting our operations, including ESG considerations. These risks are documented in a risk profile register and regularly reviewed by the Board every six months to ensure ongoing effectiveness.

BUILDING TRUST THROUGH EXCELLENT GOVERNANCE

Our Performance

Risk Management

Based on our risk assessment in FY2024, we identified the top five risks, outlining the potential impacts and our approach to address these risks.

Key Risks	Material Matters	Business Objectives	Potential Impacts	Our Approach
<b>Occupancy and Rental Income</b> (Operational Risk)	<b>Economic Performance</b>	<ul style="list-style-type: none"><li>To achieve higher occupancy rate.</li></ul>	<ul style="list-style-type: none"><li>Loss of rental income</li><li>Poor economic performance</li></ul>	<ul style="list-style-type: none"><li>Offered an attractive rental packages.</li><li>Engaged proactively with tenants to maintain strong relationships and enhance tenant retention.</li><li>Enhanced marketing and advertising activities, and engaged with Real Estate Agents.</li><li>Collaboration initiatives with AmBank Group.</li></ul>
<b>Level of Gearing</b> (Regulatory Risk)	<b>Economic Performance</b>	<ul style="list-style-type: none"><li>To maintain optimal gearing level (must not exceed 50% of the Trust's total asset value).</li></ul>	<ul style="list-style-type: none"><li>Reduced investor confidence.</li><li>Poor economic performance</li></ul>	<ul style="list-style-type: none"><li>Improved property yield to sustain value.</li><li>Limit major spending/Capital expenditure.</li><li>Actively explore divestment of low-yielding and non-core assets.</li></ul>
<b>Interest Rate Management</b> (Interest Rate Risk)	<b>Economic Performance</b>	<ul style="list-style-type: none"><li>To manage exposure to interest rate movement.</li></ul>	<ul style="list-style-type: none"><li>Decrease in net income and income distribution</li><li>Poor economic performance</li></ul>	<ul style="list-style-type: none"><li>Utilised hedging mechanisms by purchasing fixed interest rate instruments to hedge against fluctuations in interest rates.</li><li>Aimed for a balanced proportion of fixed and floating rates.</li></ul>
<b>Cost Management</b> (Operational Risk)	<b>Economic Performance</b>	<ul style="list-style-type: none"><li>To carry out cost-effective day-to-day management of the properties.</li></ul>	<ul style="list-style-type: none"><li>Higher costs and lower property yield</li><li>Poor economic performance</li></ul>	<ul style="list-style-type: none"><li>Increased scrutiny on energy consumption through daily monitoring to ensure optimal electrical usage.</li><li>Implemented energy-saving initiatives to improve efficiency and reduce power wastage.</li></ul>
<b>Climate Change</b> (Climate Risk)	<b>Energy Use and Climate Change</b>	<ul style="list-style-type: none"><li>To identify and address climate-related risks and opportunities from our operations.</li></ul>	<ul style="list-style-type: none"><li>Operational disruptions</li></ul>	<ul style="list-style-type: none"><li>Initiated Board oversight on climate-related risks to our operations.</li><li>Implemented energy-efficient and energy conservation initiatives.</li><li>Adopted renewable energy solutions across our operations.</li></ul>

Regulatory Compliance

In FY2024, we maintained our record of zero cases of non-compliance with laws or regulations relevant to our business operations.

Data Privacy and Cybersecurity

Why this is Important?

Cyberthreats pose significant risks across industries. Protecting data privacy and bolstering cybersecurity resilience gain confidence from our stakeholders. As the nature of these threats continue to evolve, we adapt and employ data security measures to stay ahead of these challenges.

Our Approach

Our employees adhere to strict privacy and confidentiality standards outlined in our data handling and information technology (IT) security policy. We provide training on the latest cybersecurity threats and best practices. Regular monitoring of our cybersecurity framework, along with ongoing threat analysis and capability enhancement is conducted for effective risk mitigation.

The following were trainings attended by our employees related to cybersecurity:

- AmBank Information and Cyber Security Awareness (2023)
- Management of Cyber Risk Programme

Our Performance

Customer Privacy Breaches and Data Loss

	FY2022	FY2023	FY2024
Number of substantiated complaints concerning breaches in customer privacy or data loss	-	-	-



- # Nurturing A Sustainable Future Through Environmental Stewardship

Maintaining a low-carbon asset portfolio is a strategic imperative for sustaining a competitive edge in the marketplace. We focus on building resilience against environmental risks in our operational locations, developing and managing assets that not only thrive in this evolving landscape but also contribute positively to the health of both people and the natural environment.

- # Our Mission to Achieve Good Governance

Ensure efficient resource use and minimise our ecological footprint through conservation solutions and integrated waste management system that contributes to a future where responsible real estate development harmonises with environmental preservation.

- # Material Sustainability Matters

- Energy Use and Climate Change
- Water Management
- Waste Management

- # Key Highlights in 2024

4.4%

Reduction in Total Energy Consumption

4.3%

Reduction in Total GHG Emission

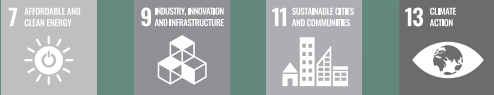
2-Star

Rating under EMGS for Menara AmBank

4-Star

Rating from National Building Energy Label for Bangunan AmBank Group and Wisma AmFIRST

- # Contribution to the UN SDGs



- # Key Stakeholder Group



# NURTURING A SUSTAINABLE FUTURE THROUGH ENVIRONMENTAL STEWARDSHIP

## Energy Use and Climate Change

### Why this is Important?

Climate change poses a significant challenge, leading to substantial transformations in both the natural environment and societal structures, impacting our operations and businesses on a fundamental level. The escalating demand from stakeholders, particularly investors, for information regarding the financial implications of climate change underscores its critical nature as a risk to financial stability.

### Our Approach

In alignment with our climate change mission, we aim to prioritise decarbonisation efforts and facilitate the transition to net zero through green building solutions, shaping a climate-resilient and low-carbon real estate portfolio.

#### Green Building Certifications:

- Obtained 2-Star EMGS certification for Menara AmBank.
- Received 4-Star Rating from the National Building Energy Label for Bangunan AmBank Group and Wisma AmFIRST.
- Pursuing EMGS certification for Bangunan AmBank Group and Wisma AmFIRST.
- Currently in the process of applying rating from National Building Energy Label for the remaining buildings.

Our carbon reduction initiatives encompass a strategic approach towards energy efficiency, energy conservation and the integration of renewable energy sources. We have implemented the following initiatives across the Trust's properties and conducted regular maintenance together with inspections.

Upgraded to a cashless parking system.

Installed EV Charging Stations at The Summit Subang USJ. In the midst of installing EV Charging Stations at Bangunan AmBank Group, Menara AmBank and Wisma AmFIRST.

Installed solar power streets and compound lights, along with LED Spotlight for neon signage.

Installed a timer unit to control compressor running hours and rescheduled chiller operation hours.

Replaced fluorescent light with LED lights in common areas and perimeter lighting with solar LED.


Installed photo/motion sensors in carparks and toilets to reduce electricity usage.




Sustainability

# NURTURING A SUSTAINABLE FUTURE THROUGH ENVIRONMENTAL STEWARDSHIP

Additionally, targeted initiatives have been introduced at the Menara AmBank and Mydin Hypermall.




At Menara AmBank, we have implemented energy conservation measures by shutting down 80% of the lifts after office hours and on weekends, as well as adjusting the air-conditioning to turn-off 15 minutes earlier on all floors.



Mydin Hypermall achieved energy efficiency improvements through chiller setpoint adjustments, optimising AHU operations and transitioned to LED lighting. Mydin has also subscribed to Green Energy Tariff (GET) Programme. Mydin Mohamed Holdings Berhad, being single tenant at Mydin, is in the midst of solar panel installation.


We are actively exploring opportunities to enhance energy efficiency across our value chain by retrofitting sustainability features to the Trust’s properties. Our goal is to benefit the environment and increase the appeal of the Trust’s properties to customers with sustainability goals. In terms of energy efficiency and renewable energy initiatives, we are currently planning the following projects.

Installation of Solar Panels




Installation of solar panel at Wisma AmFIRST, The Summit, Prima 9 and Prima 10.

Retrofitting Old Water-Cooled Packaged Unit (WCPU) Air-Conditioning System




Retrofitting old WCPU air-conditioning system to Chilled Water system at Menara AmBank.

Descaling Air-Conditioning Condenser Water



To improve the heat transfer efficiency of the condenser and reduce energy usage at Bangunan AmBank Group and Menara AmBank.

Installation of Variable Speed Drive (VSD)



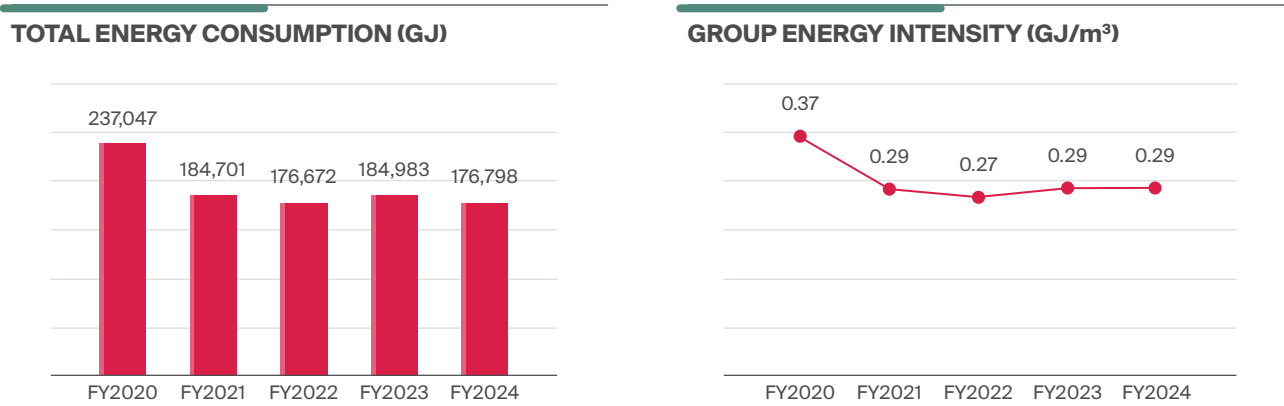
To reduce the motor’s speed and power consumption of water pump during periods of lower cooling requirements.

No energy audit was conducted in FY2024. However, we are in the midst to conduct a building energy audit for Bangunan AmBank Group, Menara AmBank and Wisma AmFIRST, funded by a grant from the Sustainable Energy Development Authority (SEDA).

Our Performance

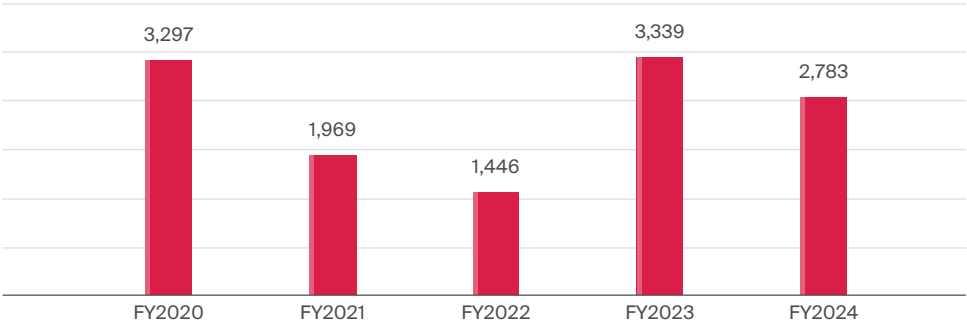
Total Energy Consumption

The Trust achieved a 4.4% reduction in total energy consumption compared to FY2023. The total energy intensity in FY2024 remained relatively constant compared to previous years.



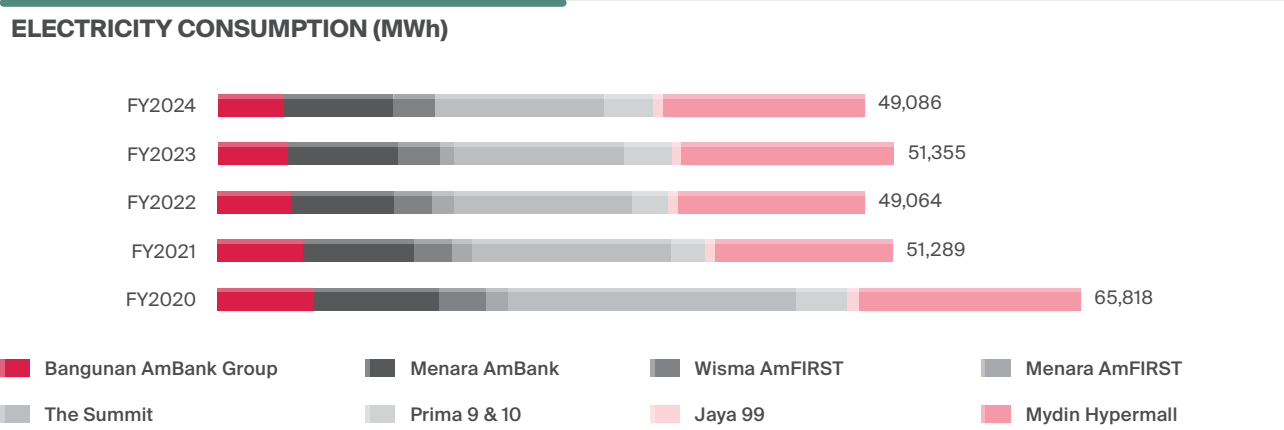
Fuel Consumption

PETROL CONSUMPTION (litres)



2,783 litres of petrol were consumed in FY2024.

Electricity Consumption (MWh) and Intensity (kWh/m²)

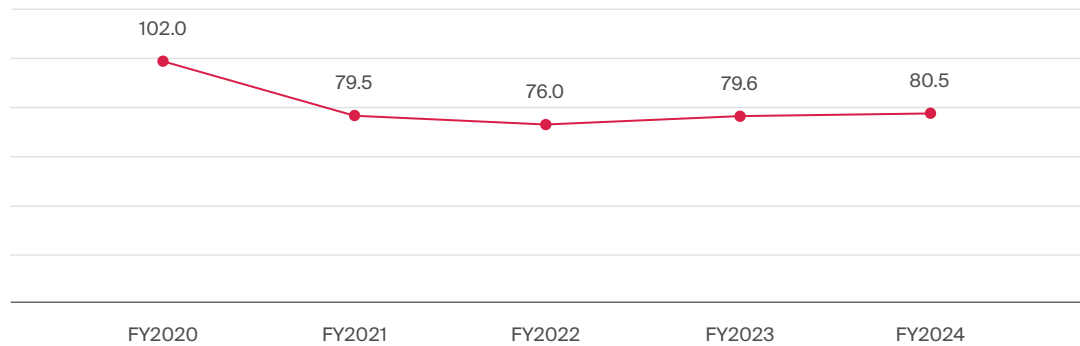


Sustainability

## NURTURING A SUSTAINABLE FUTURE THROUGH ENVIRONMENTAL STEWARDSHIP

The Trust's total electricity consumption for all its properties amounted to 49,086 MWh, resulting in an electricity intensity of 80.5 kWh/m<sup>2</sup>.

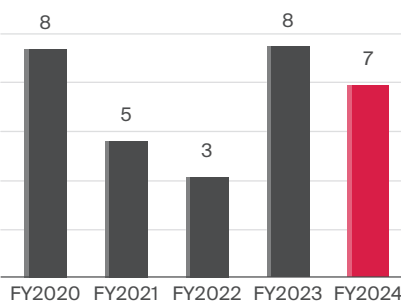
ELECTRICITY INTENSITY (kWh/m<sup>2</sup>)



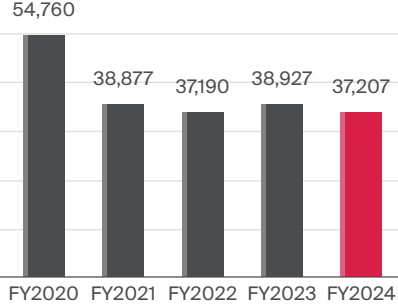
GHG Emissions

The Trust's Scope 1 GHG emissions are recorded at 7 tCO<sub>2</sub>e, while Scope 2 GHG emissions are at 37,207 tCO<sub>2</sub>e. In FY2024, we began monitoring and reporting GHG emissions from employee commute and business land travel for the Manager, which resulted in a total of 35 tCO<sub>2</sub>e in Scope 3 GHG emissions.

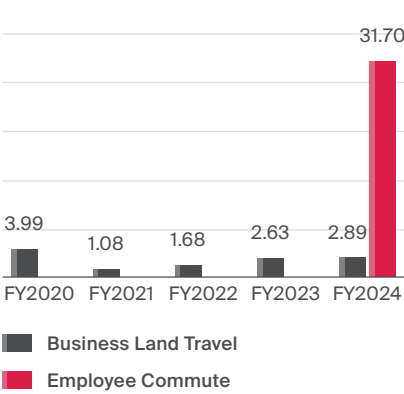
SCOPE 1 GHG EMISSIONS<sup>1</sup>  
(tCO<sub>2</sub>e)



SCOPE 2 GHG EMISSIONS<sup>2</sup>  
(tCO<sub>2</sub>e)



SCOPE 3 GHG EMISSIONS<sup>3</sup>  
(tCO<sub>2</sub>e)



Note:  
(i) Calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards.  
(ii) The collection of employee commute data under Scope 3 GHG emission commenced only in FY2024.

<sup>1</sup> Emissions resulting from the direct combustion of carbon-based fuel sources such as petrol usage for company-owned vehicles during business operations. Scope 1 was calculated using emissions factors from the UK Government GHG Conversion Factors for Company Reporting 2023.  
<sup>2</sup> Emissions resulting from the purchase of grid electricity, generated in part from the combustion of carbon fuels for electricity generation. Scope 2 was calculated using emission factors from the Grid Emission Factor (GEF) in Malaysia provided by the Suruhanjaya Tenaga (Energy Commission).  
<sup>3</sup> Emissions resulting from indirect emissions such as business travel and employee commute. Scope 3 was calculated using emissions factors from the UK Government GHG Conversion Factors for Company Reporting 2023.

Water Management


Why this is Important?


Global demand for water has been increasing with growing urban populations, putting strain on resources. Climate change further complicates the issue by disrupting precipitation patterns and altering the distribution of water supply. Higher water stress levels indicate greater competition among users, leading to increased sourcing costs and forces conservation measures. Our long-term focus remains on reducing water intensity through water conservation efforts and efficiency improvements across the Trust's property portfolio that we manage.


Our Approach


Despite not being as water-intensive as manufacturing industries, our business acknowledges the crucial role of optimal water management in addressing water scarcity. We continue to monitor and reduce our water usage, ensuring resilience against water shortage incidents, and achieving operational cost savings.

We have successfully completed several projects aimed at enhancing water management across the Trust's property portfolio.

 Rainwater harvesting tanks with a capacity of 1,000-gallons was installed at Wisma AmFIRST. In addition, rainwater harvesting tanks with capacity of 10,220-gallon were utilised at Prima 9 and 10 since 2011 for gardening, cleaning and maintenance purposes.

 Replaced the manual water taps at all washbasins in Wisma AmFIRST with self-closing taps.

 Implemented auto-closing taps at all toilets and installed sensor water taps on all VIP floors at Bangunan AmBank Group.

 Installed an air-conditioning drainage harvest tank at the male surau at Wisma AmFIRST.

Our Performance

Our water performance for the current reporting year indicates a total consumption of 773.512 megalitres and water intensity of 1.27 m<sup>3</sup>/m<sup>2</sup>. The increase in water intensity was primarily attributed to factors such as higher occupancy, water tank leaks and heightened chiller usage due to hot weather.

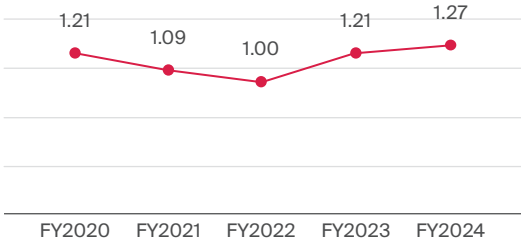
WATER CONSUMPTION (Megalitres)



■ Bangunan AmBank Group ■ Menara AmBank  
■ Wisma AmFIRST ■ Menara AmFIRST<sup>1</sup>  
■ The Summit ■ Prima 9 & 10  
■ Jaya 99 ■ Mydin Hypermall

<sup>1</sup> Menara AmFIRST was disposed in November 2022.

WATER CONSUMPTION INTENSITY  
(M<sup>3</sup>/M<sup>2</sup>)



Sustainability

## NURTURING A SUSTAINABLE FUTURE THROUGH ENVIRONMENTAL STEWARDSHIP


Waste Management

Why this is Important?

Responsible waste management is fundamental to the well-being of both the community and environment. Implementing the proper initiatives to preserve the value of materials by extending their life, reusing or recycling helps protect our natural environment. This practice reduces waste generation and also enhances circularity of materials.

Our Approach

We have collaborated with AmBank on a sustainability programme entitled “Our Eden Campaign – Plastic Reborn Programme”, running from May 2023 to March 2024.



**Our Eden Campaign**  
Plastic Reborn  
Programme

Refilled station machine which allows staff to purchase laundry, dishwashing, and floor cleaning detergent from the machine using a plastic bottle, along with recycle bins for collecting detergent bottles, have been installed at Bangunan AmBank Group, Menara AmBank, and Wisma AmFIRST.

No rental charge for installations of refilled station machine.

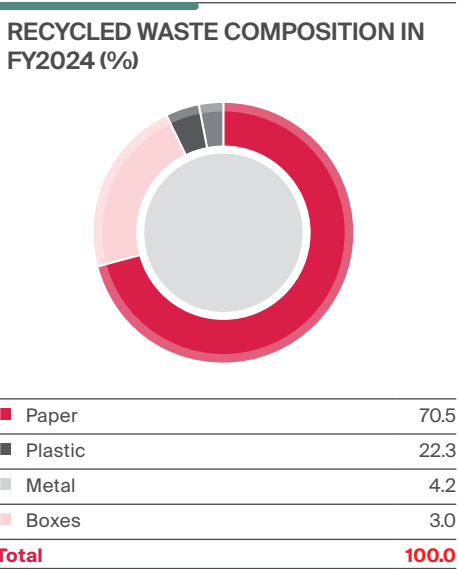
100% sale proceeds donated to the Perak Palliative Care Society.

Our Performance

We are actively working to reduce paper consumption by transitioning to paperless processes through digitalisation, while improving our recycling efforts. Concurrently, we are enhancing our waste data collection system to improve efficiency. Despite facing limitations in obtaining data on our waste generation for the reporting year, we strictly adhere to relevant waste-related regulations. Furthermore, we incentivise our office cleaners to segregate and record recyclable waste before sending it to vendors for processing, thereby supporting our recycling efforts.

Type of Waste	Waste Recycled (Metric Tonnes)	
	FY2023 <sup>1</sup>	FY2024
Paper	2.485	1.912
Plastic	0.393	0.605
Metal	0.065	0.115
Boxes	-	0.080
Total	2.943	2.712

<sup>1</sup> FY2023 data include recycled waste from Menara AmFIRST.



Embracing Social Responsibility Through Community Empowerment

Being in the REIT industry, we are well-positioned to create a lasting social impact by directly addressing the social considerations of both internal and external stakeholders. By building a diverse, inclusive and collaborative culture, we nurture a supportive workplace, empowering our people to perform at their best, promoting active engagement, mutual trust as well as personal and professional development within our community.

Our Mission to Create Meaningful Contribution

Foster positive relationships within the communities surrounding the Trust’s assets, create meaningful engagement opportunities and cultivate a sustainable workplace that values collaboration, diversity and inclusion.

Material Sustainability Matters

- Economic Performance
- Occupational Health and Safety
- Capacity Building
- Employee Diversity and Inclusivity
- Supply Chain Management
- Contribution to Society

Key Highlights in FY2024

Zero

Cases of Human Rights Violation

100%

Procurement Expenditure on Local Suppliers

37.7

Average Training Hours Provided to Employees

Contribution to the UN SDGs



Key Stakeholder Groups





EMBRACING SOCIAL RESPONSIBILITY THROUGH COMMUNITY EMPOWERMENT

Economic Performance

Why this is Important?

Maintaining a strong financial performance and position is essential for generating investor returns, attracting capital, preserving property values and contributing to economic growth. Our approach to achieving responsible and sustainable economic performance is through operational performance, ensuring overall success and resilience in dynamic market conditions.

Our Approach

Property maintenance is integral to our business operations, significantly influencing tenant satisfaction and ultimately affecting the economic performance. We conduct tenant satisfaction survey annually to gauge satisfaction levels. Additionally, we hold monthly meetings with Property Managers to ensure seamless coordination and proactive management of property maintenance tasks.

Our Performance

	The Trust	The Manager
Revenue	RM101.4 million	RM6.6 million
Operating Costs	RM86.1 million	RM1.4 million
Employee Remuneration (Wages, Benefits etc.)	Not applicable as all employees are under the Manager	RM3.8 million
Income distribution/dividends to providers of capital	RM13.7 million	RM1.0 million
Government Tax	Distributed 100% of total taxable income, hence fully exempted from tax for the year of assessment pursuant to Section 61A(1) of Income Tax Act 1965	RM0.3 million
Local Community Investment	-	~RM9,000
Retained Profits	-	RM0.1 million



Occupational Health and Safety

Why this is Important?

The safety and wellbeing of the employees, tenants, suppliers, customers and other stakeholders are our top priorities. Creating safe workplaces is a shared responsibility, integral to our culture and responsible business practices. Emphasising the safety of our people, we maintain the health and wellbeing of our employees and those engaged with the Trust’s assets.

Our Approach

Our OSH practices are guided by the OSH Policy as well as the Hazard Identification, Risk Assessment and Determining Control (HIRADC) procedures.

AmBank Group’s OSH Policy	HIRADC
 <p>The OSH Policy reflects our commitment to strict adherence to the Occupational Safety and Health Act of 1994 (Act 514) to eliminate workplace accidents or injuries. It is accessible to both internal and external stakeholders through bulletin board postings in the office and common areas of the Trust’s buildings.</p>	 <p>The HIRADC procedures outline the management of workplace safety hazards across properties, with regular compliance assessments to identify risks and implement mitigation measures. Employees are encouraged to report safety concerns through the safety and health system, including non-compliance issues.</p>

Our Performance

Health and Safety Performance			
Indicator	FY2022	FY2023	FY2024
No. of Fatalities	-	-	-
Recordable Work-Related Injuries	1	2	6
No. of Lost Time Injuries	1	-	2
Lost Time Incident Rate (LTIR <sup>1</sup> )	0.01	-	0.03

<sup>1</sup> LTIR is calculated as per Bursa Malaysia’s Sustainability Reporting Guide (3<sup>rd</sup> Edition), per 200,000 hours worked per year.

Sustainability

## EMBRACING SOCIAL RESPONSIBILITY THROUGH COMMUNITY EMPOWERMENT

A total of 19 employees attended 7 health and safety-related training programmes.

Occupational Health and Safety Training Programmes	No. of Attendees
Safety and Health in Workplace	19
AmBank-LifeCare Webinar Series: Fatty Liver	1
AmBank-LifeCare Webinar Series: Salt & Blood Pressure	1
AmBank-LifeCare Webinar Series: Exercise is medicine concept	1
AmBank-LifeCare Webinar Series: Sugar & Weight	1
AmBank-LifeCare Webinar Series: The Comprehensive Health Screening	1
AmBank-LifeCare Webinar Series: Where is my cholesterol from?	1

	FY2022	FY2023	FY2024
Number of employees trained on health and safety standards	21	17	19



In FY2024, a fire drill was organised at The Summit Subang USJ. The purpose of this drill was to simulate emergency scenarios and ensure that all staff members were well-prepared and trained to handle fire-related situations effectively.



### Capacity Building

#### Why this is Important?

Recognising employees as the driving force behind our operations, we prioritise developing workforce capabilities to ensure business continuity. Equipping the employees with essential skills and experience enhances productivity and forms a high-performance workforce. Focused on being a thriving workplace for talent, we invest in the employees to deliver optimal results for all stakeholders.

#### Our Approach

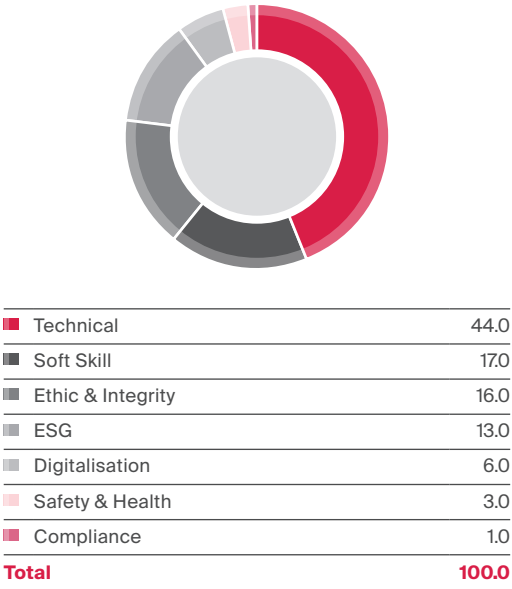
We provide comprehensive learning programmes covering technical and non-technical areas to equip employees with the necessary capabilities, skills and experience to facilitate better performance and productivity. Empowering the employees enables them to excel in their roles, contribute effectively to the Trust, and remain aligned with industry best practices and regulatory requirements.

#### Our Performance

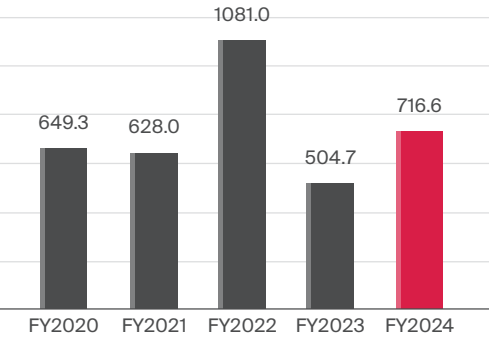
##### Employee Training

In FY2024, our employees received a total of 94 internal and external training programmes, with 44% focused on technical training and 56% on non-technical training. This amounted to 716.6 total training hours.

CATEGORIES OF TRAINING PROGRAMMES (%)



TOTAL TRAINING HOURS



Sustainability

EMBRACING SOCIAL RESPONSIBILITY THROUGH COMMUNITY EMPOWERMENT



## Employee Engagement

“We cultivate a positive workplace culture and environment by implementing various employee engagement programmes that promote transparency and open communication.”

- ➔ AmWork Anniversary
- ➔ Townhall Meeting with Managing Director
- ➔ Teh Tarik Sessions with Chief Executive Officer
- ➔ Staffs’ Get Together Meetings
- ➔ AmBank Business Banking - AmREIT Sales Rally
- ➔ AmREIT’s Off-site Team Building ‘Engagement & Brainstorming’

As a result of various engagement programmes organised in FY2024, the Manager’s achieved a remarkable improvement in the Annual Employee Engagement Survey, with 100% participation rate and the engagement score stand at an outstanding 84%, with remarkable Engagement Mean Score of 4.22, reflecting a 12% increase year-on-year.



Employee Diversity and Inclusivity


Why this is Important?

The importance of employee diversity and inclusivity lies in fostering a culture that values different perspectives, driving creativity, innovation and adaptability to changing market demands. The focus is on providing equal opportunities to all employees to create a high-performing and collaborative culture. Celebrating differences, whether in cultural backgrounds, ethnicities, or age, leads to better business outcomes and better reflects the communities served.

Our Approach


We aim to create a supportive and inclusive environment that empowers all employees to thrive and succeed through several key approaches.

Equal Opportunity and Diversity Practices




- Merit-based promotion and fair hiring practices to promote diversity in the workforce.

Compliance and Employee Rights Protection




- Strict adherence to labour laws to ensure non-discrimination and respect for all employees.
- Policy prohibiting excessive working hours without breaks to uphold employee well-being and rights.

Employee Well-being Initiatives



- Health and mental health programmes, including webinars on various health topics and comprehensive health screenings.
- Focus on holistic well-being, addressing physical and mental health needs of employees.
- Implementation of expectant mother's parking bays and panic buttons at Bangunan AmBank Group, Menara AmBank and Wisma AmFIRST.

Improved Benefits and Professional Development



- Flexible work arrangements include 1-day remote work per week and flexible working hours.
- Introduction of an in-house childcare centre at Menara AmBank to support working parents.
- Increased funding for training and development.
- Enhanced AmFlex Benefits allowing for the sale of additional annual leave days.

Our Performance

Employee Benefits

We provide a wide range of comprehensive benefit packages to our employees, aiming to enhance their satisfaction and well-being. These benefits are tailored to support employees in various aspects of their lives and contribute to a positive work environment.



**Paid Leaves**

Annual Leave, Parental Leave, Sick, Hospitalisation and Prolonged Illness Leave, Hajj Leave, Compassionate and Extended Compassionate Leave, Marriage Leave and Study and Exam Leave.




**Medical Coverage**

Outpatient and hospitalisation for employees and their families.



**Allowances**

Handphone bill, meal, relocation, subsistence, travel, laundry allowances and employee engagement fund.



**Employee Provident Fund (EPF)**

Contribution to employees' retirement savings.



**In-house Child-Care Centre**

Safe and nurturing environment for employees' children.



**AmFlex Benefits**

Flexible benefit program that allows employees to personalise selected employee benefits that best suit employees' needs.



**Insurance Coverage**

Personal Accident and Term Life Insurance for financial protection during emergencies.



**Claims**

Accommodation, transport (land and air travel, mileage, toll), professional and club membership fees, and other expenses.



**Product Benefits**

Staff credit card, housing, and vehicle loans.



**Maternity Benefits**

Up to two confinements, extend maternity leave by three months, and leave work an hour early from the 28th week of pregnancy.



**Enhanced Security Features**

Expectant Mother's Bay and Panic Buttons at carpark.

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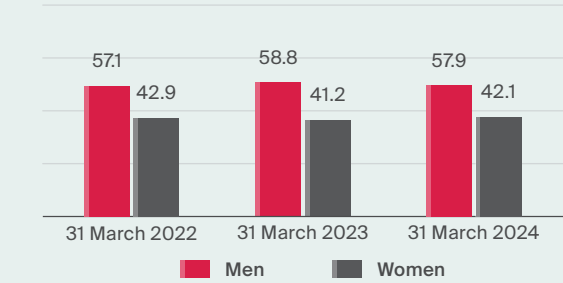
Sustainability

# EMBRACING SOCIAL RESPONSIBILITY THROUGH COMMUNITY EMPOWERMENT

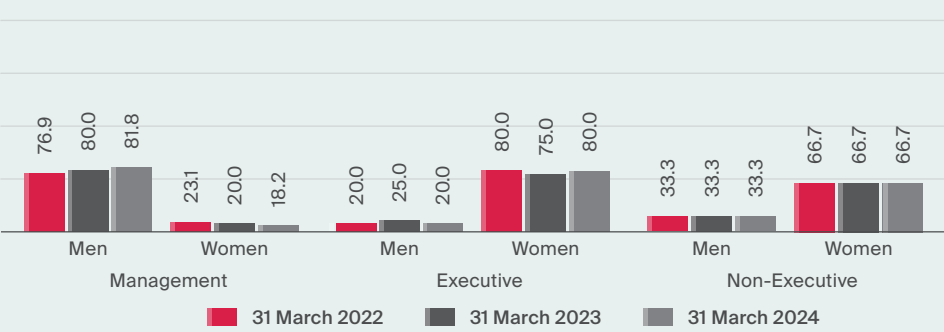
Workforce Diversity

Our workforce comprises nineteen employees (excluding intern). We achieved a commendable 42% representation of women in FY2024. The majority of the employees fall within the age range of 30 years to 50 years old. 100% of our workforce consists of local hires in permanent positions, with the exception of one intern employed for a three-month period as a way for us to give back to the community by helping students and young professionals develop their skills and gain practical experience.

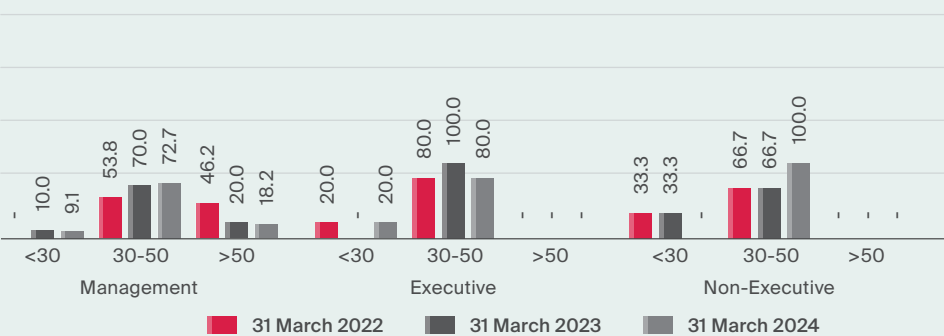
EMPLOYEE DIVERSITY BY GENDER (%)



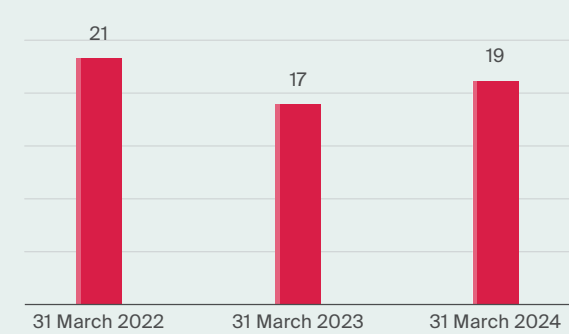
GENDER DIVERSITY BY EMPLOYEE CATEGORY (%)



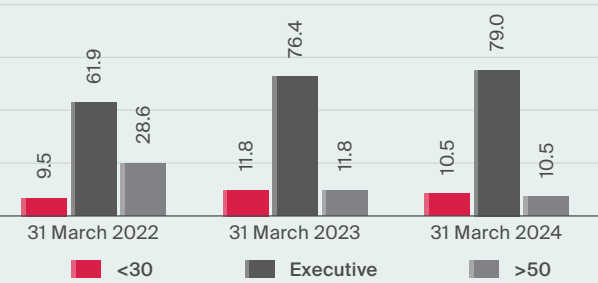
AGE DIVERSITY BY EMPLOYEE CATEGORY %



TOTAL EMPLOYEES



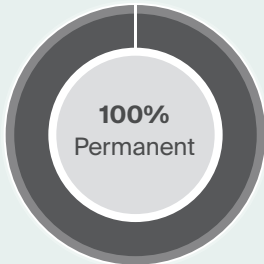
EMPLOYEE DIVERSITY BY AGE (%)



EMPLOYEE NATIONALITY



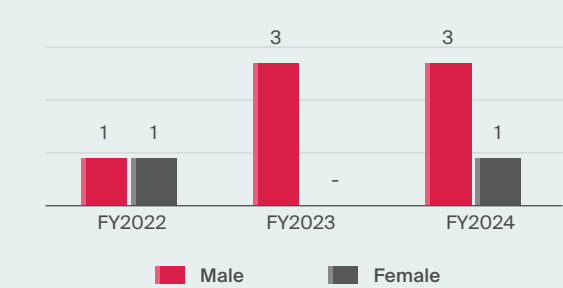
EMPLOYMENT STATUS



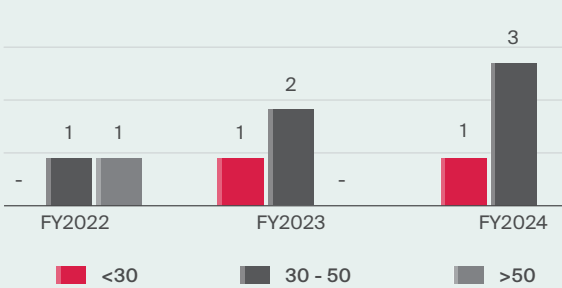
New Hires and Turnover

In FY2024, the Manager recorded a total of four new hires and three turnovers.

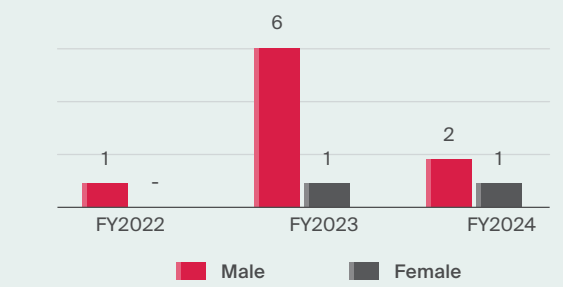
NEW HIRES BY GENDER



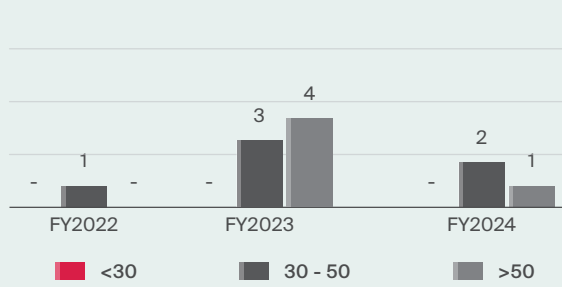
NEW HIRES BY AGE



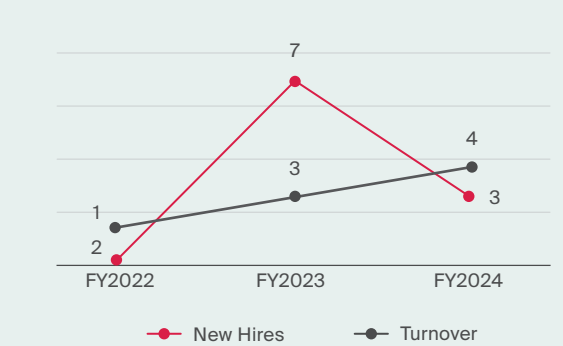
TURNOVER BY GENDER



TURNOVER BY AGE



TOTAL NEW HIRES AND TURNOVER



TURNOVER BY EMPLOYEE CATEGORY



Human Rights Violations

We are pleased to report that there were zero complaints concerning human rights violations recorded during the reporting period.

	FY2022	FY2023	FY2024
No. of complaints concerning human rights violations	-	-	-

Sustainability

# EMBRACING SOCIAL RESPONSIBILITY THROUGH COMMUNITY EMPOWERMENT

Supply Chain Management

Why this is Important?

Our suppliers play a vital role as providers of the products and services that sustain our daily operations, making them an essential component of our business. With increasing expectations from investors and customers for us to oversee sustainability factors in our supply chain, it is imperative that we ensure our suppliers align with our sustainability agenda.

Our Approach

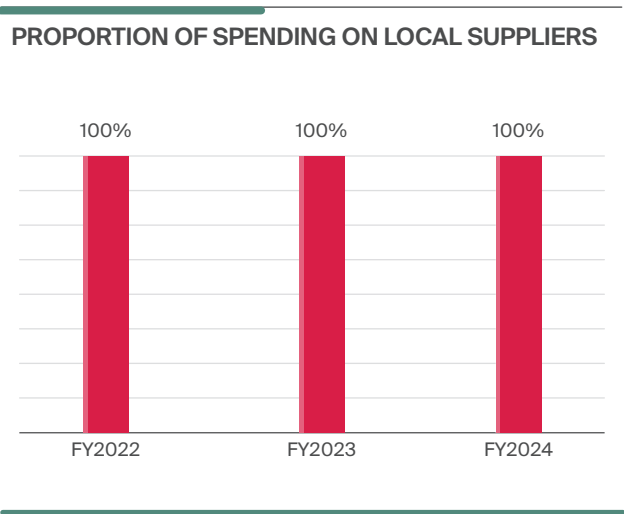
We classify suppliers into two categories: goods suppliers and service providers, selecting them based on merit and expertise, and requiring registration and quotation submission prior to engagement.

Our Vendor Registration Form gathers essential details about the organisation, including financial obligations, insurance coverage, legal matters and work experience references, with a focus on compliance.

Initial supplier assessments are conducted by Property Managers, who undergo annual evaluations for competency.

Our Performance

For the past three years, we have consistently allocated 100% of our spending to local suppliers.



Contribution to Society

Why this is Important?

We actively contribute to the revitalisation and development of local communities by providing safe and comfortable spaces that foster engagement and prosperity. Through our support for community activities, we enhance the health and well-being of all residents, positioning ourselves as responsible contributors dedicated to improving the overall quality of life in the communities we serve.

Our Approach

We promote community involvement and CSR through employee volunteer activities to cultivate a sense of purpose and alignment with our core values. We engage with society by conducting community events, supporting underprivileged individuals by alleviating financial burdens and offering moral support during these challenging economic times. We also partner with charitable organisations to serve our customers and create compelling experiences in the Trust's properties.

Our Performance

Community Programmes	Amount Spent on Activity or Donation Contributed (RM)	Total Number of Beneficiaries
Invited underprivileged childrens and teachers from Rumah Pertubuhan Kebajikan Dan Pendidikan Cahaya Kasih for a one day fun activities at Fun-X World	3,690	31 students, 6 teachers
Collaborated with AmBank and Ibupreneur for Chinese New Year and Hari Raya Cookies Sales events, to help single mother and the underprivilege.	5,400 (in the form of rental waiver)	22 single mothers

	FY2022	FY2023	FY2024
Total amount invested in the community (RM)	2,000	-	9,090
Total number of beneficiaries	44	-	59



Cultural Festival

- Hari Raya CSR Event – Bubur Lambuk Giveaway.
- Hari Raya CSR Event – Orphans Visit to Fun-X World.
- Hari Raya CSR Event – Iftar with Orphans.
- Mid-Autumn Festival with MBSJ and Subang residents.



National Celebration

- Malaysia Day Community Event with MBSJ.



EMBRACING SOCIAL RESPONSIBILITY THROUGH COMMUNITY EMPOWERMENT



Health and Wellness

- Salcon Blood Donation and Health Fair.
- Pound Fitness Class.
- Yayasan Humanistik Charity Fun Run.
- The Director's Cup Open Bowling Championship for Fire and Rescue Department.



Charity Fundraising

- Young Chefs' Charity Food Carnival.
- Rumah Kids Charity Carnival with MBSJ.



Family Support

- Special Gifts for Dads in conjunction with Father's Day.
- Line Dance with Subang Community - Mother's Day Special.
- Special Gifts for Mums in conjunction with Mother's Day.
- CSR movie day with seniors with MBSJ.
- Chinese New Year and Hari Raya Cookies Sales Event to help single mother and the underprivileged



Supporting the Underprivileged

- One day of fun activities at Fun-X World with the underprivileged children and teachers from Pertubuhan Kebajikan Dan Pendidikan Cahaya Kasih.

INVESTING TOWARDS A SUSTAINABLE FUTURE

As we forge ahead, we remain committed to continuous improvement in our sustainability practices. By actively addressing climate-related risks and opportunities, prioritising renewable energy integration, fostering collaboration with stakeholders and implementing environmental performance monitoring, we strive towards a more sustainable future for our business and the communities we serve.

PERFORMANCE DATA TABLE

Governance and Responsible Business

Indicator	Unit	FY2022	FY2023	FY2024
Corporate Governance and Anti-Corruption				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
• Management	%	100.0	100.00	90.91
• Executive	%	100.0	100.00	100.00
• Non-Executive	%	100.0	66.67	66.67
Bursa C1(b) Percentage of operations assessed for corruption related risks	%	-	-	-
Bursa C1(c) Confirmed incidents of corruption and actions taken	Number	-	-	-
Data Privacy and Cybersecurity				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	-	-	-

Environment

Indicator	Unit	FY2022	FY2023	FY2024
Energy Management				
Bursa C4(a) Total energy consumption	GJ	176,672	184,983	176,798
Bursa C4(a) Total energy consumption	Mwh	49,076	51,384	49,111
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	tCO <sub>2</sub> e	3	8	7
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	tCO <sub>2</sub> e	37,190	38,927	37,207
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (business travel and employee commuting)	tCO <sub>2</sub> e	-	-	35
Waste Management				
Bursa C10(a) Total waste generated	Metric tonnes	-	-	-
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	2.943	2.712
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	-	-
Water Consumption				
Bursa C9(a) Total volume of water used	Mega-litres	645.322	782.565	773.512

## PERFORMANCE DATA TABLE

## Social

Indicator	Unit	FY2022	FY2023	FY2024
<b>Occupational Health and Safety</b>				
Bursa C5(a) Number of work-related fatalities	Number	-	-	-
Bursa C5(b) Lost time incident rate (LTIR)		0.01	-	0.03
Bursa C5(c) Number of employees trained on health and safety standards	Number	21	17	19
<b>Labour Practices and Standards</b>				
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	-	-	-
<b>Talent Attraction and Development</b>				
Bursa C6(a) Total hours of training by employee category				
• Management	Hours	824	330	486
• Executive	Hours	193	123	181
• Non-Executive	Hours	64	52	50
Bursa C6(c) Total number of employee turnover by employee category				
• Management	Number	-	6	1
• Executive	Number	1	1	-
• Non-Executive	Number	-	-	2
<b>Diversity and Inclusion</b>				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
<i>Gender group by employee category</i>				
• Management (Male)	%	76.92	80.00	81.82
• Management (Female)	%	23.08	20.00	18.18
• Executive (Male)	%	20.00	25.00	20.00
• Executive (Female)	%	80.00	75.00	80.00
• Non-Executive (Male)	%	33.33	33.33	33.33
• Non-Executive (Female)	%	66.67	66.67	66.67
<i>Age group by employee category</i>				
• Management (<30)	%	-	10.00	9.09
• Management (30-50)	%	53.85	70.00	72.73
• Management (>50)	%	46.15	20.00	18.18
• Executive (<30)	%	20.00	-	20.00
• Executive (30-50)	%	80.00	100.00	80.00
• Executive (>50)	%	-	-	-
• Non-Executive (<30)	%	33.33	33.33	-
• Non-Executive (30-50)	%	66.67	66.67	100.00
• Non-Executive (>50)	%	-	-	-

Indicator	Unit	FY2022	FY2023	FY2024
<b>Diversity and Inclusion (Cont'd)</b>				
Bursa C3(b) Percentage of directors by gender and age				
• Male	%	100.00	83.33	83.33
• Female	%	-	16.67	16.67
• <30	%	-	-	-
• 30-50	%	16.67	16.67	-
• >50	%	83.33	83.33	100.00
Bursa C6(b) Percentage of employees that are contractors or temporary staff				
• Permanent	%	100.00	100.00	100.00
• Contract	%	-	-	-
<b>Supply Chain Management</b>				
Bursa C7(a) Proportion of spending on local suppliers	%	100.00	100.00	100.00
<b>Community Engagement</b>				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	2,000.00	-	9,090.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	44	-	46

## GRI CONTENT INDEX

<b>Statement of use</b>	AmFIRST REIT has reported the information cited in this GRI content index for the period from 1 April 2023 to 31 March 2024 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI Standards	Disclosures	Page
<b>General Disclosures</b>		
<b>GRI 2: General Disclosures 2021</b>	2-1 Organisational details	2 - 4, 147, 157
	2-2 Entities included in the organisation's sustainability reporting	67
	2-3 Reporting period, frequency and contact point	67
	2-9 Governance structure and composition	76
	2-12 Role of the highest governance body in overseeing the management of topics	76
	2-14 Role of highest governance body in sustainability reporting	76
	2-29 Approach to stakeholder engagement	77 - 78
<b>Material Topics</b>		
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	79
	3-2 List of material topics	80 - 81
<b>Strong Governance</b>		
<b>GRI 2: General Disclosures 2021</b>	2-23 Policy commitments	88 - 89
	2-24 Embedding policy commitments	88 - 89
	2-25 Processes to remediate negative impacts	88 - 89
	2-26 Mechanisms for seeking advice and raising concerns	88 - 89
	2-27 Compliance with laws and regulations	91 - 93
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	87 - 93
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	88 - 89
	205-2 Communication and training about anti-corruption policies and procedures	90
	205-3 Confirmed incidents of corruption and actions taken	90
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	93
<b>Social Responsibility</b>		
<b>GRI 2: General Disclosures 2021</b>	2-27 Compliance with laws and regulations	87 - 93
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	101 - 114
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	111
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	109
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	103
	403-4 Worker participation, consultation and communication on occupational health and safety	104
	403-5 Worker training on occupational health and safety	104
	403-9 Work-related injuries	103
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	110
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments and development programmes	113 - 114

GRI Standards	Disclosures	Page
<b>Environmental Stewardship</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	94 - 100
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	97
	302-3 Energy intensity	98
<b>GRI 305: Emissions 2016</b>	305-2 Energy indirect (Scope 2) GHG emissions	98
<b>GRI 306: Waste 2020</b>	306-4 Waste diverted from disposal	100
<b>GRI 303: Water and Effluents 2018</b>	303-5 Water consumption	99
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	112
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	112



# Corporate Governance

- Statement on Corporate Governance
- Statement on Risk Management and Internal Control
- Audit Committee Report
- Directors' Responsibility Statement
- Manager's Report

## STATEMENT ON CORPORATE GOVERNANCE

### Overview Statement

The corporate governance adopted by the Manager provides a framework of control mechanisms to support the Trust in achieving its goals. This is also critical to the performance of the Manager and consequently, the success of the Trust.

The Manager has adopted a strong corporate governance framework that is designed to meet the best practice principles. In particular, the Board and the Management of the Manager have the obligation to act honestly, with due care and diligence, and in the best interests of Unitholders and other stakeholders by emphasising on the transparency of decision-making process, fairness and trustworthiness in managing the Trust. The Manager also recognises the need to adapt and improve the principles and practices to meet the ongoing changes and challenges in regulatory requirements, international developments and investor expectations.

The Trust is a real estate investment trust, which was established under a Trust Deed with a mandatory requirement to appoint a Trustee. Maybank Trustees Berhad was appointed as the Trustee for AmFIRST REIT, and the appointment was approved by the SC as prescribed under sections 288(1)(a) and 289(1) of the Capital Markets and Services Act 2007 (CMSA). The Trustee is required to act honestly and discharge its roles and responsibilities in accordance with the Deed, SC's Listed REITs Guidelines, trust laws and securities laws. It has to exercise a degree of due care and diligence and has to act in the best interests of Unitholders. The primary roles and functions of the Trustee are outlined in the Deed.

The following sections describe the Manager's main corporate governance practices and policies, which are guided by measures recommended in the Malaysian Code on Corporate Governance 2021 (the Code).

Chapter 15.25(3) of Bursa Malaysia's Main Market Listing Requirement (MMLR) requires the Board to provide only an overview of the application of the Principles set out in the Code. In addition, real estate

investment trusts in particular are provided with specific exemptions as stipulated in clause 8.36 of Chapter 8 in MMLR. However, in the spirit of good corporate governance, the Manager has applied and outlined the practices under the Principles (wherever possible) during the financial year. The Code requires the Trust to provide a summary of its corporate governance practices during the financial year with reference to the three broad principles as follows:

- Principle A** Board Leadership and Effectiveness
- Principle B** Effective Audit and Risk Management
- Principle C** Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

The key focus areas on corporate governance and its priorities are as follows:

### Board, EXCO and Key Management Leadership

The Manager's shareholders critically assess on an ongoing basis its Board's leadership and its key management staff, especially its Chief Executive Officer who plays an important role in executing strategies that had been approved by the Board. Under the direction of the Board, Executive Committee (EXCO) is to assist the Board to review, scrutinize, direct and approve management's proposals as well as to monitor the Trust's financial performance.

The Board, EXCO and the key management staffs face an uphill task to improve the Trust's financial performance especially during the challenging market conditions with increased leasing space within Klang Valley. It is only through continuous effort and focus that action plans were formulated and executed to achieve the Trust's intended goals.

The key management staffs work closely with the licensed property managers on a day-to-day basis in ensuring effective property management. It is the Board's priority to ensure leadership in both the Board and key management staffs are always intact to ensure the Trust delivers sustainable performance.

Code of Ethics, Code of Conduct, Whistleblower Protection Policy, No Gift Policy and Anti-Bribery and Corrupt Practices

The Code of Ethics as well as the Code of Conduct (Codes) have always been central in the Manager’s day-to-day activities. Being part of the AmBank Group, it has been continuously emphasised to all staff that they are to comply with the internal policy. The Codes provide the framework for sound decision-making and guide for good business conducts. The Code of Ethics outlines six key principles, which every Director and employee must adhere to. The six key principles are being Compliant, Responsible, Ethical, Accurate, Trustworthy and Equitable.

In addition, the Whistleblower Protection Policy, No Gift Policy as well as the Anti-Bribery and Corrupt Practices were established and employed by the Manager to further enhance the culture of good ethics and business conduct. The Manager’s staff are also required to complete relevant online trainings organised by AmBank Group as and when launched and attend refresher courses conducted by the Compliance & Risk Department.

The Whistleblower Protection Policy provides an independent reporting channel for all staff and stakeholders. External parties are able to have access via email or contact the designated Compliance Officer for lodgement of complaints or clarification, when required. Whistleblowers are protected and the channels are independent of the operational departments. The Compliance Department and the Company Secretaries play an important role in receiving complaints and channelling the same to specified ombudsperson.



Governance, Risk Management and Internal Control Framework

Policies are approved by the Board and cascaded down to the entire organisation to ensure all departments are aware of what is expected of them. Standard operating procedures are formulated based on these approved policies. Staff are guided by these policies and procedures in discharging their daily duties. The Board is assisted by the Audit Committee in ensuring the adequacy and effectiveness of the risk management and internal control framework.

The Risk Management Committee, a management level committee headed by the Chief Executive Officer and supported by the Heads of Departments reviews the entity wide risk. The Committee is responsible for identifying the principal risks associated with the business activities and ensuring appropriate measures, systems and internal controls are in place to mitigate the risk exposure. The Risk Management framework further extends to functional roles and responsibilities established for the management of risk.

In parallel, Business Operational Controls Officer (BOC) performs relevant key controls testing to ensure adherence to policies and procedures adopted. In addition, the Compliance & Risk Department’s role is also to assess key areas, such as regulatory compliance and internal policies are complied with accordingly. The Department reports its activities to the Board on quarterly basis and the Compliance Officer has direct reporting to the Board.

Finally, the Internal Audit function is undertaken by the Group Internal Audit Department (GIAD) of AmBank Group, which is independent of the Manager and the Trust’s business and operations and reports directly to the Audit Committee. The GIAD performs independent assessment of the adequacy and effectiveness of the Manager’s risk management, internal control and governance processes and systems. Results of GIAD’s reviews and issues of concerns are reported directly to the Audit Committee. The Chief Executive Officer and Heads of Departments are responsible to ensure the audit findings are resolved within the agreed timelines, and the status of resolution of key audit findings are also monitored by the Audit Committee.

Application of Specific Practices for Each Principle

Although not mandatory, the Manager sets out the specific applications of the practices for each principle as indicated by the Code as follows:

Principle A: Board Leadership and Effectiveness

Intended Outcome	
1.0	Every company is headed by a board, which assumes responsibility for the company’s leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.1**  
The Manager is managed by an experienced Board with a wide and varied range of expertise. The Board is responsible for the overall management and corporate governance of the Trust, including establishing goals for management, monitoring the achievement of these goals and review of Management’s performance.

Each Director has a duty to act honestly and in good faith, with due care and diligence, and in the best interests of the Unitholders. The Board ensures that proper and effective controls are in place to assess and manage business risk, and compliance with applicable laws, regulations, guidelines and policies.

- The Board focuses mainly on strategy, financial performance and critical business issues, including:
- strategic business plans
  - key financial performance indicators
  - principal risks and their management
  - succession planning for senior management
  - investors and Unitholders relations programmes
  - system of internal control and policies

The Board is adequately resourced and supported by an Audit Committee to look into, amongst others the risk management, internal control and financial management of the Trust.

**Practice 1.2**  
The Chairman of the Board, Mr. Soo Kim Wai a Non-Independent Non-Executive Director, leads the Board objectively and ensures its effectiveness. The Chairman encourages active participation and all parties are free to express their opinions in the board meetings or informal discussions with the Management Team.

**Practice 1.3**  
The roles and responsibilities of the Chairman and Chief Executive Officer are separated, and the positions are held by two different individuals. Mr. Soo Kim Wai is a Chairman / Non-Independent Non-Executive Director while Mr. Chong Hong Chuon is the Chief Executive Officer. This is to ensure appropriate segregation of duties, authority and accountability.

The segregation ensures a clear distinction between the Chairman’s responsibilities to lead and manage the Board and the Chief Executive Officer’s responsibilities to manage the Trust and the Manager.

The Chairman ensures that members of the Board work together with the Management Team in a constructive manner to address strategies, business operations, financial performance, risk management and internal control issues.

The Chief Executive Officer has full executive responsibilities in consultation with the EXCO over the business directions and operational decisions of the Trust. He leads the Management Team and provides direction on the day-to-day operations and works with the Board to determine the overall business, investment and operational strategies for the Trust and ensures that these are implemented as planned and in accordance with the Deed and the SC’s Listed REITs Guidelines.

**Practice 1.4**  
The practice recommends that the Chairman should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.

The Manager does not have a Nomination or Remuneration Committee, however the Chairman is a member of the Group Nomination and Remuneration Committee (GNRC) established at the AmBank Group level. He is also a member of the Audit Committee by virtue of being as the most suitable and appropriate candidate that satisfies the MMLR’s Chapter 15, Clause 15.09(1)(c). As the MCCG Guidance 1.4 outlines that having the same person assuming the positions of Chairman of the Board and being a member of the Audit Committee may impair the objectivity of the Chairman, the Manager of the Board manages the objectivity by ensuring the Chairman of the Board would abstain from deliberation and decision making at the relevant meetings, if there is any potential conflict of interest.

**Practice 1.5**  
The Board is supported by qualified and competent licensed Company Secretaries. The roles and responsibilities of the Company Secretaries includes guiding and advising the Directors on areas of corporate governance, relevant legislations, regulations and policies besides ensuring compliance with the MMLR and other regulatory requirements.

Directors	Designation	Number of Board Meetings	% of Attendance
Soo Kim Wai	Chairman / Non-Independent Non-Executive Director	4	100.0
Dato’ Abdullah Bin Md Thani	Independent Non-Executive Director	3	75.0
Dato’ Wong Nam Loong	Independent Non-Executive Director	4	100.0
Jas Bir Kaur A/P Lol Singh	Independent Non-Executive Director	3	100.0
Azlan Bagee Bin Abdullah	Non-Independent Non-Executive Director	4	100.0
Christopher Yap Huey Wen	Non-Independent Non-Executive Director	3	75.0

Note: All attendances reflected were the number of meetings attended during the Directors’ tenure of service for FY2024.

The Company Secretaries attend the board and the board committee’s meetings and are responsible for the accuracy and adequacy of records of the proceedings of the board and the board committee’s meetings and resolutions.

**Practice 1.6**  
The Company Secretaries, namely Ms. Chan Sau Leng and Ms. Ruzeti Emar Binti Mohd Rosli from Boardroom Corporate Services Sdn. Bhd. work with the Chairman and Management to ensure that the board papers and agenda are provided to the Directors ahead of meetings of the board and board committee so that they have time to review matters to be discussed. The board papers are circulated at least five business days in advance. Meetings are usually a half-a-day event and include presentations by the Management, and where necessary, presentations by external consultants and experts on strategic issues relating to specific business areas.

The board meetings are scheduled at least four times per annum with the purpose, amongst others, to discuss and review the operations of the Trust and approve the release of the interim and the audited financial statements of the Trust. Additional meetings are held as and when necessary between the scheduled meetings.

**Intended Outcome**  
**2.0 There is demarcation of responsibilities between the Board, Board Committees and Management. There is clarity in the authority of the Board, its committees and individual Directors.**

**Practice 2.1**  
The Board is governed by the Board Charter, which is periodically reviewed and is made available at the Trust’s corporate website at [www.amfirstreit.com.my](http://www.amfirstreit.com.my).

The Board is primarily responsible for providing oversight and stewardship of the Manager. The Board is to ensure the protection and enhancement of Unitholders’ value and safeguarding the stakeholders’ interests including securing long-term financial results. The Board also have sound and sufficient knowledge as well as expertise to enable effective governance and oversight. Each member of the Board has a duty to act in the best interest of the Manager.

The Manager has an Audit Committee, established to provide assistance, review and report to the Board in relation to fulfilling the statutory responsibilities of the Manager, monitoring of the accounting and financial reporting practices, as well as ensuring adequate and effective internal control systems of the Manager are in place, amongst other roles and primary responsibilities. The Audit Committee comprises four members of the Board and the committee meets on a quarterly basis together with other key management staff.

In addition, the Board has established an EXCO, which was formed to support the Board to assess, deliberate and approve operational decisions expeditiously. The EXCO comprises four members who are representatives of the Manager’s shareholders. The EXCO meeting is held on a monthly basis and is attended by the Chief Executive Officer, Heads of Departments and key support staff.

Both the Audit Committee and the EXCO’s minutes are tabled quarterly to the Board. The minutes comprise key deliberations, recommendations to the Board and decisions made.

The Board has specifically formed Management Appointment Committee comprising not less than three board members, which is chaired by an Independent Director to assess and recommend the candidates for Executive Director (Licensing Director), Chief Executive Officer and other key senior officers, namely Head of Investment, Head of Finance, Compliance Officer/Head of Compliance, Head of Operations and Head of Leasing to the Board.

**Intended Outcome**  
**3.0 The Board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness. The Board, Management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.**

**Practice 3.1**  
The Board employs the Codes, which were enforced by the AmBank Group. The Codes provide the framework for the decision-making and guide business conduct. AmBank Group’s Code of Ethics sets out six key principles, namely:

- **Compliant** - Comply with all relevant laws and regulations
- **Responsible** - Manage conflict of interest with honesty and integrity
- **Ethical** - Practice honesty and integrity in everything we do
- **Accurate** - Ensure completeness and accuracy of financial records
- **Trustworthy** - Protect the confidentiality and sensitivity of information
- **Equitable** - Treat each other and our community with respect

The Code includes reporting of unlawful or unethical behaviour through established procedures including Whistleblower Protection Policy that are in place. Staff are reminded periodically of the six key principles through briefings and assessment conducted by the Compliance & Risk Department. Staff are required to complete the refresher course periodically to ensure they understand what is required of them and are able to apply it when they are discharging their duties.



The Manager has adopted the No Gift Policy enforced by AmBank Group. This is to ensure no conflict of interest arises or preference is given to suppliers during transactions involving procurement process such as award of contracts or negotiations.

Pursuant to the incorporation of Section 17A, Corporate Liability (for corruption) under the Malaysian Anti-Corruption Commission Act 2009 (MACC Act 2009), which was effective from 1 June 2020, the Manager has adequate procedures and is in compliance with the prescribed Guidelines on Adequate Procedures (GAP). The GAP was issued pursuant to Section 17A(5) of MACC Act 2009 and was derived based on the five principles as follows:

- Top level commitment
- Risk assessment
- Undertake control measures
- Systematic review, monitoring and enforcement
- Training and communication

In addition, the Manager has enforced the Anti-Bribery and Corrupt Practices Policy to all its staff as well as for its vendors and customers. The Anti-Bribery and Corrupt Practices requirements were embedded into respective agreements to ensure that the parties are aware and expected to comply accordingly.

Practice 3.2

The Whistleblower Protection Policy and procedure were adopted by the Board and are currently in place. The purpose is to report the following improper conduct, but not limited to:

- dishonest, fraudulent, corruption, bribery or illegal practices;
- manipulation of accounts;
- unethical behaviour;
- abuse of power;
- violation of laws and constitution; or
- conflict of interest.

The policy embeds the requirement for the protection of the whistleblower, which is fundamental for the entire process. Key principles include:

- Whistleblower will be protected for reporting any actual or suspected improper conduct upon demonstrating sufficient basis for whistleblowing.

- The confidential information relating to whistleblowing will also be safeguarded.
- Whistleblower including his / her spouse and related persons who are employees of the Manager, will be protected from detrimental action.
- It is imperative that whistleblower should provide sufficient and accurate information on best effort basis.

Intended Outcome

4.0 The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1

On 11 February 2019, the Board with the recommendation from the Management, approved and issued its initial Sustainability Policy Version 1.0 (Policy) and subsequently reviewed and updated the Policy on 24 November 2021. The well approved and documented Policy is meant to create the Manager's commitment in managing Environment, Social and Governance (ESG) elements in addressing sustainability risks and opportunities in a systematic manner.

Guided by the Manager's core values, the approach towards sustainability emphasises on the following pillars: Compliant, Responsible, Ethical, Accurate, Trustworthy and Equitable (C.R.E.A.T.E). These values are inculcated in our working culture to always be compliant, responsible, accurate, equitable and ethical in managing our ESG risks, to gain trust amongst our stakeholders towards building a sustainable business.

The senior management appointed a consulting firm, namely AGV Environment Sdn. Bhd. that has vast experience and are familiar with the ESG requirements to guide the Manager in implementing the ESG initiatives. There is a proper Sustainability Governance Structure, which was implemented as required under the Policy to ensure these are followed through accordingly.

In summary, the Manager has established a 3-Tiered Governance Structure which comprises of:

- a) The Board
- b) Sustainability Management Team (SMT) with reporting responsibilities to the Board; and
- c) Sustainability Working Team (SWT) with reporting responsibilities to SMT.

Practice 4.2

Under the said Policy, the Management has a set of responsibilities to assist the Board to ensure those strategies, priorities and targets are communicated to relevant parties. Management updates the Board periodically on the performance of the targets so that these are monitored and appropriate actions are executed. Further to that, annually, a detailed disclosure on the qualitative and quantitative sustainability performance related to ESG risks and opportunities are to be made in the Sustainability Statement, which is included in this annual report on pages 66 to 119.

Practice 4.3

The Board is kept abreast of sustainability issues relevant to its business by its Management and its consultant. In addition, through the quarterly reporting of ESG to the Board, the Management would update any new or changes to ESG reporting landscape or requirements, if any. The Board members too on their own accord keep themselves abreast of ESG issues, and where applicable will address it in their Board, Audit Committee as well as in EXCO meetings so that the ESG initiatives are practiced accordingly.

Practice 4.4

The Manager incorporated ESG elements as key performance indicators (KPI) in its performance management system for senior management and staff.

Practice 4.5 [Step Up]

As the Board understood the importance of the ESG programme, the Board approved and the Manager established a designated Sustainability Management Team as outlined in the said Policy. The efforts are further coordinated with the assistance of Finance staff.

Intended Outcome

5.0 Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.1

The Manager relies on the established terms of reference and policies of AmBank Group in terms of the governance in ensuring an effective Board comprising right balance of mix of skills, experienced and competent Directors, composition of Independent and Non-Independent Directors and the maximum tenure of nine-year of an Independent Director. The Board was cognisant of AmBank Group's policies and practices in upholding good corporate governance. None of the Independent Directors had reached the nine-year tenure of service and all the Non-Executive Directors are subject to the yearly re-election by rotation at the annual general meeting of the Manager.

Practice 5.2

The Board retains its board composition with at least one-third (1/3) of Independent Directors and is of the view that the decisions that the Board makes are objective and in the best interests of all stakeholders.

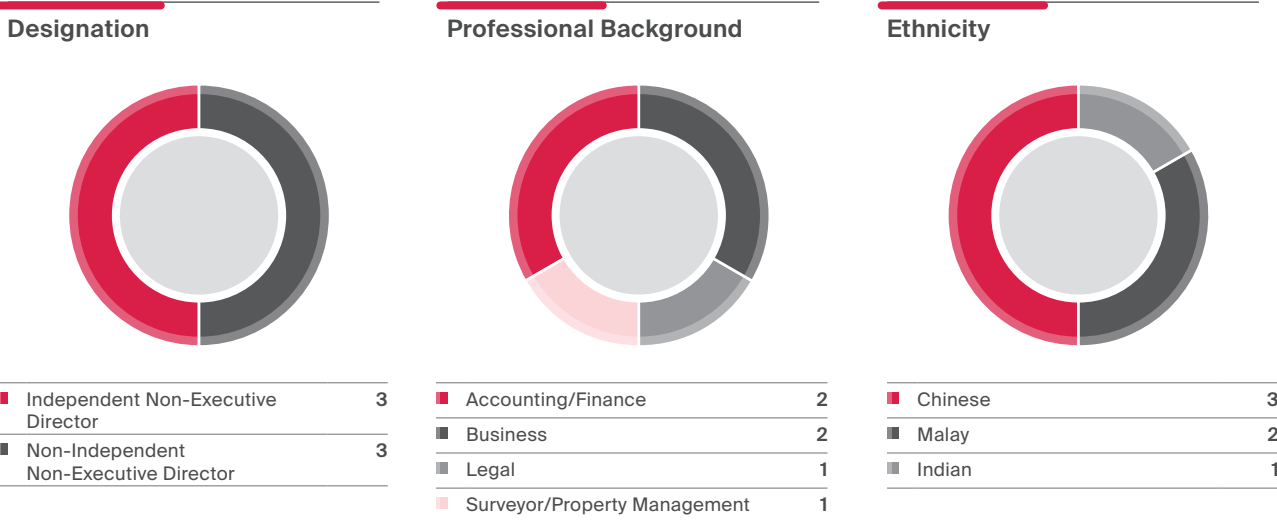
As of this report date, the Board has six members comprising six Non-Executive Directors. Three of the board members are Independent Directors (representing 1/2 of the Board) in compliance with the MMLR and SC's Listed REITs Guidelines, while the Chairman of the Board is a Non-Independent Non-Executive Director.

As at the date of this Report, none of the Directors held directorships in more than five listed issuers. The relationships among the board members are disclosed on page 146 of this annual report. In addition to this, information on direct and indirect unitholdings related to the Manager and transactions with the companies related to the Manager are disclosed in Note 16 and Note 28 respectively, in the notes to the financial statements.

The Board comprises business leaders and experienced professionals with backgrounds in fund management, property, banking, legal and finance. The profiles of the Directors are set out on pages 5 to 8 of this annual report. The Board is of the view that its current composition comprises individuals who, as a group, provide the necessary

core competencies and that the current board size is appropriate and effective, taking into consideration the nature and scope of the Trust's operations.

The Board diversity in terms of ethnicity, professional background and experience are as illustrated below:



**Practice 5.3**  
The Code states that the tenure of an Independent Director should not exceed a cumulative term of nine-year. This is in line with AmBank Group's existing policy, which states that an Independent Non-Executive Director shall serve up to a maximum of nine-year (the 9-Year Rule).

The Independent Director may continue as a Non-Independent Director subsequently subject to the recommendation of the GNRC and the approval of the Board. The two-tier voting process for the purposes of retaining an independent Director beyond nine-year as recommended by MCCG is not applicable for the Manager as the Manager is a limited company.

**Practice 5.4 [Step Up]**  
The Manager has adopted the policy, which limits the tenure of its Independent Directors to nine-year. The policy has been complied diligently, and this was demonstrated in prior years, where Independent Directors had stepped down after nine-year of service. As of the date of this annual report, the approximate period of service by respective Independent Directors is as follows:

Independent Directors	Period of Service
Dato' Wong Nam Loong	7 Years 9 months
Dato' Abdullah Bin Md Thani	7 Years 9 Months
Jas Bir Kaur A/P Lol Singh	1 Year

**Practice 5.5**  
It is imperative that the Board and senior management are appointed based on objective criteria, merit and taking into account diversity in skills, experience, age, cultural background and gender. The Manager established Management Appointment Committee to recommend the appointment of Executive Director (Licensing Director), Chief Executive Officer and other key senior officers to the Board. The Manager adopts AmBank Group's appointment procedures for both Directors and for its staff. The Manager utilises the resources made available by AmBank Group's Human Resource. The Board places significance on the merit as well as the role, which objective criteria were derived.

Newly appointed Directors and senior management are given briefings by the Management on the business activities of the Trust, its strategic directions and policies and the regulatory environment in which the Trust operates. Directors are also informed of their statutory and other duties and responsibilities, as well as policies and procedures relating to the corporate conduct and governance including the disclosure of interests, prohibitions on dealings in the Trust's units and restrictions on the disclosure of price-sensitive information.

Subsequent to a Director's appointment, the Director will be required to complete the Mandatory Accreditation Programme as required by Bursa Malaysia, and the Capital Market Director Programme (CMDP) as required by Securities Commission Malaysia within the timeline as stipulated in MMLR and SC's Licensing Handbook respectively. CMDP is an exclusive platform for Directors of licensed intermediaries to be equipped with the relevant knowledge, skills and abilities to meet the expected competencies required of a board. It is also designed to allow Directors to explore and deliberate on pertinent issues affecting the industry from the perspectives of multi stakeholders.

**Practice 5.6**  
AmBank Group has various approaches and sources to identify candidates for the appointment of Directors. Apart from obtaining recommendation from the board members and major shareholders, AmBank Group uses independent recruitment firms as well as the direct approach of identifying individuals that have relevant experience and undertaken similar board roles and are well known in the market.

**Practice 5.7**  
The appointment and reappointment of the Directors are the responsibility of the Manager's shareholders and not the Trust's Unitholders. Practice 5.5 and 5.6 sets out the due process involved to ensure they are able to discharge their duties once they are onboarded as Directors of the Manager.

**Practice 5.8**  
GNRC performs the function that a Nominating Committee would otherwise perform, namely it administers nominations to the Board, reviews the structure, size and composition of the Board, and reviews the independence of board members. The composition of the Board is reviewed to ensure an appropriate mix of expertise, independence, experience and knowledge in business, legal, finance and management skills critical to the Trust's business.

**Practice 5.9**  
The Board takes cognisance of having more women Directors on the Board. The Code's requirement is for the Board to comprise 30% women Directors. In addition, the Guidelines on Corporate Governance for Capital Market Intermediaries has outlined that the Board of Capital Market and Services License (CMSL) Holder must undertake the necessary measures to ensure the Board comprises at least 30% women Directors. The SC's Listed REIT's Guidelines was updated and requires the management company to have at least one-women Director with effect from 1 June 2023. As of the annual report date, the Board has one woman Director.

**Practice 5.10**  
The Manager discloses its gender diversity data in the Employee Diversity and Inclusivity section in its Sustainability Statement on page 110. The Manager provides equal opportunities and evaluate employee based on merit.

**Intended Outcome**  
**6.0 Stakeholders are able to form an opinion on the overall effectiveness of the Board and individual Directors**

**Practice 6.1**  
The Manager took note of practice 6.1 on the recommended practice to conduct a formal and objective annual evaluation to determine the effectiveness of the Board, its Board Committee and each individual Director even though this practice note is not applicable to REIT entities.

Intended Outcome	
7.0	The level and composition of remuneration of Directors and senior management take into account the company's desire to attract and retain the right talent in the Board and senior management to drive the company's long-term objectives. Remuneration policies and decisions are made through a transparent and independent process.

**Practice 7.1**  
The Manager acknowledges the need to ensure a fair and equitable remuneration mechanism for the Directors and senior management, which commensurate with the demands and performance of the Manager, and also the individual's responsibilities. The Manager utilises AmBank Group's Human Resource's remuneration policies and procedures, which were implemented AmBank Group's wide. The remuneration scheme that the Manager adopted from AmBank Group's reflects and considers level of position, years of experience, competency, different roles, complexity of functions, market conditions and other criteria that may be considered on a case-to-case basis. There is systematic performance management system with key performance indicators agreed upfront for annual appraisals for staff. Staff are required to undergo semi-annual performance review with respective Heads of Departments. This is to ensure that staff are made known on their progress and appropriate corrective actions can be taken. The entire process is overseen by AmBank Group's Human Resource.

The policy and procedures are periodically reviewed by AmBank Group's Human Resources and reflected accordingly in AmBank Group's internal portal for all the staff's reference.

**Practice 7.2**  
GNRC performs the function that a remuneration committee would otherwise perform, namely it recommends a formal and transparent procedure for developing the remuneration policy for Directors, senior management and staff of the Manager (where applicable and if required). The Terms of Reference of the GNRC is published in AmBank Group's corporate website at [www.ambankgroup.com](http://www.ambankgroup.com).

Intended Outcome	
8.0	Stakeholders are able to assess whether the remuneration of Directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.1**  
The Directors' remuneration is paid by the Manager and not the Trust. The Directors receive Directors' fees and meeting allowances for their attendance at meetings of the Board and the Board Committee from the Manager. The determination of the Directors' remuneration is a matter for the Board as a whole and is subject to the approval of the Manager's shareholders. The Directors are not involved in the approval of their own remuneration.

**Practice 8.2 and 8.3 [Step Up]**  
The Board opined that the top senior management's remuneration will not be disclosed due to sensitivity and competitive external human resource environment in the industry. This is necessary and in the best interest of the Manager, in order to retain its experienced staff and ensure smooth continuity of the business operations. Furthermore, the Code, referring to Guidance 8.2 suggests that the disclosure of how remuneration is measured, allows stakeholders to understand the link between senior management's remuneration and the company's performance. On the contrary, due to the unique Trust structure, whereby the Manager is separate from the Trust, there is no direct link between the remuneration of Management Team and the Trust's performance. The remunerations were disbursed from the management fees earned by the Manager, which were predetermined at the inception of the Trust via the Trust Deed.

Intended Outcome	
9.0	There is an effective and independent Audit Committee. The Board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

**Practice 9.1**  
The Chairman of the Audit Committee, Dato' Wong Nam Loong is not the Chairman of the Board. Dato' Wong Nam Loong was appointed on 15 August 2016 as an Independent Non-Executive Director and has led the Audit Committee since then.

The Chairman of the Audit Committee ensures that the Committee's primary roles and responsibilities are discharged in accordance with its Terms of Reference, which is set out in the Audit Committee's Report on pages 140 to 141 of this annual report.

**Practice 9.2**  
The Board takes cognisance of matters pertaining to independence and conflict of interest. It is imperative that the functions of Board Committee are not impaired when they are discharging their duties. In this respect, the Board will require a former key audit partner to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee, if there is any. This will also apply to any other similar appointments if the Board deems there is a potential conflict or an issue on independence.

**Practice 9.3**  
It is the Audit Committee's responsibility to review the appointment and resignation of external auditors. This is clearly outlined in the Audit Committee's Terms of Reference.

During the annual audit plan presentation by the external auditor, the Audit Committee had assessed the suitability, objectivity and independence of the external auditor. The external auditor had also confirmed their independence during the meeting with the Audit Committee prior to the commencement of their annual audit.

**Practice 9.4 [Step Up]**  
While the requirement of the Code states that the Audit Committee should solely comprise of Independent Directors, the Board is of the view that the Audit Committee is able to discharge its duties effectively with its three-fourth (3/4) composition of Independent Directors. The inclusion of a Non-Independent Director who represents one-fourth (1/4) of the Audit Committee is deemed necessary to facilitate and support the Independent Directors in areas of his expertise.

**Practice 9.5**  
The Audit Committee possesses the necessary range of skills to effectively discharge its duties. All members have good understanding of the operations and its financial reporting process. Mr. Soo Kim Wai, who is an Audit Committee member possesses extensive experience in the accounting field and is a member of several professional accounting bodies namely the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants and Association of Chartered Certified Accountants.

Apart from financial knowledge, the Board has ensured that the Independent Directors should also comprise of members who have experience in the relevant property related industry. Collectively, the current Audit Committee members have extensive experience and knowledge in accounting, finance, regulatory, legal and real estate field.

During the financial year under review, the Directors, including the Audit Committee members had attended various conferences, seminars and workshops to enhance their knowledge and expertise and to keep abreast with the relevant changes in laws, regulations and the business environment. The training programs attended by the Directors during FY2024, were on areas relating to Anti-Money Laundering, Cyber Security Awareness Program, 2nd Asian Economy Impact – Climate Change Risk, BNM FIDE Virtual Dialogue Session, AmBank Group's Internal ESG conference, Board Technology Day - AI Disrupt: Unveiling Financial Futures, Leading For Impact (LIP), EY C-Suite Forum 2023, National Budget 2024, Establishment of a Subsidiary Management Corporation (Sub-MC) pursuant to the Strata Management Act 2013, ESG Application on Retail Physical Stores & E-Commerce and Key Insight of Hajah & Darurah Principles & Application. These trainings were arranged by AmBank Group's Learning and Development Department and regulators as well as professional establishments.



STATEMENT ON CORPORATE GOVERNANCE

Principle B: Effective Audit and Risk Management

Intended Outcome

10.0 Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives. The Board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.1

The Board has established an effective risk management and internal control framework. It plays a vital function in the Manager's management of its risks and transactions. The Board through its Audit Committee is responsible for the risk management of the Trust, which includes but is not limited to, identifying the principal risks associated with the business activities and ensuring appropriate measures, systems and internal controls are in place to mitigate the risk exposure.

Practice 10.2

The features of the risk management and internal control framework are disclosed in detail in the Statement on Risk Management and Internal Control on pages 135 to 139 of this annual report. The internal control is mainly driven by policies and procedures, which are designed to provide reasonable assurance to the Board that the Trust will achieve its objectives. There is an established internal audit function, which is undertaken by GIAD. The Manager also has a designated Compliance Officer to ensure compliance with regulations, internal policies and procedures.

Practice 10.3 [Step Up]

A Risk Management Committee which is a management level committee was established to assist the Audit Committee in assessing the adequacy of internal control and risk management. The Risk Management Committee comprises of the Chief Executive Officer and Heads of Departments of the Manager. There is requirement to report the risks affecting the Trust on half-yearly basis to the Audit Committee and the Board.

Intended Outcome

11.0 Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1

The internal audit function is performed by GIAD, headed by Group Chief Internal Auditor (GCIA), Encik Shamsul Bahrom Bin Mohamed Ibrahim (Encik Shamsul). GIAD is independent and operates under a charter, which gives it unrestricted access to review all activities of the Manager. The GCIA reports directly to the Audit Committee.

GIAD's activities conform with the Institute of Internal Auditors (IIA)'s International Standards for the Professional Practice of Internal Auditing, as well as standards and requirements set out by the relevant Regulators on the internal audit function.

The current structure allows GIAD to perform its function effectively and independently.

Practice 11.2

The GCIA, Encik Shamsul, has over 25 years of comprehensive internal auditing and management experience in the financial services industry.

Encik Shamsul holds a BSc (Hons) in Finance & Accounting from the University of Salford, Manchester, United Kingdom, as well as Master in Business Administration (MBA) from the University of Strathclyde, Glasgow, Scotland, United Kingdom. Encik Shamsul is a Chartered Banker (CB), a Qualified Risk Auditor (QRA), a Certified Fraud Examiner (CFE) and a Chartered Professional in Islamic Finance (CPIF). Encik Shamsul has completed the Cybersecurity Fundamentals Certification (CSX-f) and the Asian Institute of Chartered Bankers' (AICB) Certification for Bank Auditors (CBA). He has also been awarded the ICA Professional Postgraduate Diploma in Financial Crime Compliance (Prof. Pg. Dip. FCC) from the International Compliance Association (ICA).

Encik Shamsul is a member of the Institute of Internal Auditors Malaysia (IIAM), the Asian Institute of Chartered Bankers (AICB), the Chartered Institute of Islamic Finance Professionals (CIIF) and the Institute of Enterprise Risk Practitioners (IERP). He is also the current Chairman of AICB's Chief Internal Auditors Networking Group (CIANG).

GIAD focuses its efforts in accordance with the Annual Audit Plan, which is developed based on a structured risk-based assessment of all the activities undertaken by the Manager that ensures all risk-rated areas are kept in view to ensure appropriate audit coverage. The risk-based audit plan is reviewed periodically, taking into account the changes in the business and risk environment.

The Annual Audit Plan, including the internal audit resources required to execute the plan is approved by the Audit Committee.

The main objective of the audit review is to assess the adequacy and effectiveness of the Manager's governance, risk management and systems of internal control.

Apart from the above, GIAD also performs ad hoc reviews and investigations involving fraud, misconduct, when requested by regulators, the Board or Management.

The results of the audit reviews, including Management's action plans to address issues highlighted by internal auditors are tabled to the Audit Committee for deliberation. GIAD conducts follow-up and reports to the Audit Committee regarding the status of implementation of the Management's action plans, until full resolution.

GIAD has internal procedures in place to ensure that the audit personnel are free from any relationships or conflicts of interest and their objectivity and independence are not impaired when conducting audits on the Manager.

Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

Intended Outcome

12.0 There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations. Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The Board emphasises the need to communicate with stakeholders regularly, effectively and in a transparent manner.

While the Trust's corporate website serves as a central hub for dissemination of information and updates, external media write-ups arising from public announcements made, serves as an additional and diversified channel of communication for stakeholders, ensuring that stakeholders have multiple avenues to stay informed and engaged. In addition, during the current financial year, the Manager has established an official account with LinkedIn as part of an initiative to broadcast the activities of the Trust.

Stakeholders are able to query or reach senior management both via email and telephone. Contact details are listed on the Trust's corporate website.

Intended Outcome

13.0 Unitholders are able to participate, engage the Board and senior management effectively and make informed voting decisions at general meetings.

Practice 13.1

The Board through its Management and Company Secretaries strictly complies with the issuance of AGM notice to the Unitholders. The Manager gives more than 28 days' notice prior to the meeting. The number of days of notice provided for the past three years were as follow:

STATEMENT ON CORPORATE GOVERNANCE

	11th AGM	10th AGM	9th AGM
Financial Year	2023	2022	2021
Date of Notice of AGM	31 May 23	31 May 22	31 May 21
Date of AGM	20 July 23	21 July 22	7 July 21
Notice period in no. of days (including Saturday, Sunday and Public Holiday)	49	50	36

Practice 13.2

All Directors are required to attend the AGM to address any questions raised by the Unitholders. All questions raised with responses provided during the AGM are minuted by the Company Secretaries, and posted on the Trust’s corporate website for Unitholders’ reference.

Practice 13.3

The Trust’s 11th AGM on 20 July 2023 was held virtually via RPEV, to facilitate greater Unitholders’ participation. The meeting platform was <https://meeting.boardroomlimited.my>, which was broadcasted from Menara Symphony located at Petaling Jaya, Selangor.

The Manager through its outsourced Company Secretaries utilises Lumi’s technology, which is the dominant player globally in the provision of software and real-time audience engagement technology to facilitate annual general meeting for companies. Lumi’s technology runs on a secure dedicated network and encrypted cloud-based servers.

Practice 13.4

The Chairman of the Board together with the Chief Executive Officer interact and provide detailed presentation of the Trust’s performance, which includes the long-term business strategies. The Unitholders are given sufficient opportunity to pose questions during the general meeting and all the questions are addressed accordingly. The detailed presentation as well as the questions and answers are posted in the Trust’s corporate website.

Practice 13.5

The general meeting, which was broadcasted from Menara Symphony located at Petaling Jaya, Selangor via <https://meeting.boardroomlimited.my>, had all the necessary infrastructure and tools to support the broadcast of the general meeting

and Lumi AGM technology had the capability to allow participation and voting by Unitholders. Prior to the AGM, the Manager has issued the Administrative Guide together with the Notice of Meeting to all Unitholders, of which both documents were part of the Annual Report 2023, so that they are aware of the required procedures to participate in the AGM. This was to ensure participation by Unitholders was seamless.

In addition, to ensure the virtual AGM is conducted in an independent and transparent manner, Boardroom Share Registrars Sdn. Bhd. was appointed as the Poll Administrator to conduct the polling process, whereas Commercial Quest Sdn. Bhd. was appointed as an Independent Scrutineer to verify the poll results.

Questions submitted online via meeting platform were moderated before being sent to the Chairman to avoid repetition. MSWG recommended that the independent moderators should be present to moderate the Q&A session in a fair, objective and impartial manner to ensure that all relevant questions are answered. In this regard, the Manager appointed KPMG Management & Risk Consulting Sdn. Bhd. as the Independent Moderator to moderate the questions posted by Unitholders during the Q&A session.

Practice 13.6

The Minutes of the general meeting is made available to all Unitholders within 30 days after the AGM in the Trust’s corporate website for their information.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board is pleased to present the Statement on Risk Management and Internal Control in compliance with Chapter 15, Paragraph 15.26(b) of the Main Market Listing Requirements (MMLR) of Bursa Malaysia and in line with the guidance of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (Guidelines) issued by Bursa Malaysia.

Risk Management

The Board with the assistance of the Manager’s Audit Committee (AC) has established and implemented a sound risk management framework that enables it to continuously identify, evaluate, mitigate and monitor risks that affect the Trust and the Manager in achieving its business objectives within the defined risk parameters and acceptable risk appetite.

The Manager applies the risk management framework as a structured process in establishing risk-based strategies and making decisions across the respective functions, which consist of the following components and are incorporated within the Trust’s and the Manager’s Risk Profile:

- Business model, objectives, and strategies.
- Assessment of the internal and external environment.
- Identification of events that may affect the business objectives and strategies.
- Assessment of inherent risks within the business.
- Establishment of appropriate risk responses.
- Ensuring control activities operate effectively.
- Ensuring accurate and sufficient information and communication.
- Monitoring the effectiveness of the framework and reporting to the Board.

The Risk Profile is reviewed by the AC on a half-yearly basis. In this respect, the AC assists the Board in providing independent oversight of risk management.

The risk management process is integrated with the business processes, enabling proper risk management at the operational level of each property, as well as at the Trust’s level. Risks identified are systematically evaluated with proper mitigating actions in place developed to manage

the risks to an acceptable level and monitored on a continuous basis.

A Risk Management Committee at senior management level was established to assist the AC in assessing the adequacy of internal control and risk management. The Risk Management Committee comprises of the Chief Executive Officer and Heads of Departments of the Manager. The Risk Management Committee performs the following roles:

- Review the adequacy and effectiveness of the risk management processes and system;
- Review and present to the AC and Board, the broad terms of risk guidelines and risk appetite of the Trust on a periodic basis;
- Review identified key risks and the mitigating controls of the Trust’s operations;
- Guide staff in identifying, evaluating, and managing key risks; and
- Report to the AC and Board on material and pervasive findings, which exceeded the risk appetite and make appropriate recommendations.

The Risk Management Framework encompasses, amongst others, the functional roles and responsibilities established for the management of risk, covering the First Line of Defence (FLOD), Second Line of Defence (SLOD) and Third Line of Defence (TLOD). The FLOD comprises the Business Operational Controls Officer (BOC) and coordinators appointed for each functional department of the Manager.

The objectives of the establishment of FLOD are:

- To establish personnel who are competent and appreciative of risk management principles within the business;
- To enhance accountability within the business in executing risk management controls within their span of authority; and
- To promote proactive risk management culture in the business

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The SLOD is the enterprise-wide operational risk management, which was established at AmBank Group's level that entails establishment of an independent operational risk management function, which includes implementation and review of its operational risk measurement and methodology. It also encompasses the Compliance function, which has been established in the organisation.

GIAD of AmBank Group forms the TLOD, which independently evaluates and assesses the adequacy and effectiveness of the designed risk management process by conducting regular reviews on the Manager's activities and processes.

Business Continuity Plan

The Manager has an established Business Continuity Plan (BCP) to ensure disruption to the business activities are mitigated in the event of an unfavourable incident. The BCP is in place for staffs' reference and regularly tested to ensure its effectiveness.

Internal Control

The Board has established an internal audit function, which is undertaken by GIAD. The Board recognises the need for a sound and effective internal control system as one of the key priorities for an effective corporate governance culture.

The Board is also committed to maintain a sound and effective system of internal control, which consists of policies and procedures designed to provide reasonable assurance to the Board that the Trust will achieve its objectives to safeguard the interests of the Unitholders, including reliability of financial reporting, compliance with applicable laws and regulations and effectiveness and efficiency of operations. These policies and procedures are regularly reviewed and updated to reflect changes in the business and regulatory requirements. Changes in the policies and procedures are communicated to the Management and other affected stakeholders in a timely manner upon approval by the Board.

The system provides reasonable but not absolute assurance against material misstatement of management and financial information, financial losses, fraud, and the occurrence of unforeseeable circumstances. As part of the effective and ongoing internal control and governance processes, the Manager reviews the adequacy and effectiveness of its internal control systems to ensure it remains relevant, effective, and able to meet the ongoing changes and challenges faced by the Trust. This involves reviewing for improvement opportunities in the areas of financial, operational and compliance controls. The Manager takes cognizance of recommendations, if any, made for the Trust by the external auditors, Messrs. Ernst & Young PLT (EY), and GIAD in respect of the accounting and operational controls in their audit reports issued during the financial year. Recommendations by the said parties are implemented accordingly where required to enhance internal controls.

Internal Audit Function

GIAD operates under a charter from the AC that gives it unrestricted access to the Manager's personnel, premises, documents, records, information, and is authorised to obtain such information and explanations considered necessary to fulfil and discharge its responsibilities. The Head of GIAD reports directly to the AC.

GIAD conducts independent risk-based audits in accordance with an audit plan, which is established based on the risk assessment of all activities undertaken by the Manager. The risk-based audit plan is reviewed annually, taking into account the changing business and risk environment. The AC reviews and approves the annual audit plan of GIAD.

The main objective of the audit reviews is to assess the adequacy and effectiveness of the Manager's system of internal control and risk management. When required, GIAD also undertakes special reviews or investigations as directed by the AC. Audit findings, recommendations and the Manager's action plans highlighted in audit reports are tabled to the AC. GIAD conducts follow-up and reports to the AC on the status of implementation of management action plans arising from the internal audit reports.

The AC reviews the internal audit reports and activities on an ongoing basis. The AC is of the view that the Internal Audit team is adequately resourced to perform its functions and has maintained its independence from the activities that it audits.

External Auditors

The Board maintains a transparent relationship throughout their association with the external auditors. The appointment of external auditors, who were nominated by the Manager, is approved by the Trustee. The external auditors appointed must be independent of the Manager and the Trustee. The remuneration of the external auditors is approved by the Trustee based on the Manager's recommendation.

As part of the external auditors' audit of the financial statements, the external auditors obtain an understanding of internal controls sufficient for their planning of the audit and to assist in their expression of an opinion on the financial statements of the Trust as a whole. Any significant deficiencies and material weaknesses identified during the audit are communicated to the AC. As part of continuous refinement of the Trust's internal control system, the AC reviews the effectiveness of measures taken by the Manager in response to those significant deficiencies and material weaknesses identified, if there are any.

The Trustee had appointed EY as the external auditors to conduct the statutory audit for the FY2024 with the recommendation from the Manager. EY had provided a written confirmation to the AC that there is no relationship between them, the Trust, or the Manager, which may impair their independence.

Compliance Officer

The Manager has a designated Compliance Officer who reports to the Board in compliance with the SC's Listed REIT Guidelines. The Compliance Officer works towards ensuring the compliance with all regulations and guidelines issued by SC, Bursa Malaysia, Trust Deed as well as internal policies and procedures, which are applicable to the Trust and the Manager.

The Compliance Officer plays an active role in advising the key management staff on regulatory matters as well as internal policies and procedures in their day-to-day activities. In addition, the incumbent employs the Group's resources and collaborates closely with the Group Compliance and Group Operational Risk Department in respect of compliance and risk matters. It is an advantage that the Manager was able to utilise the Group's expertise and resources on compliance and risk methodology for the benefit of the REIT.

Dealings with Related Parties

In general, the Manager has to ensure that related party transactions are undertaken in compliance with the SC's Listed REITs Guidelines, the Deed, and the MMLR. Such transactions are to be carried out at arm's length basis based on normal commercial terms and shall not be prejudicial to the interest of the Trust and its Unitholders.

In respect of such transactions, the Management would have to demonstrate to the AC that the transactions are undertaken on normal commercial terms, which may include (where applicable) obtaining quotations from parties unrelated to the Manager or obtaining a valuation from an independent valuer. All related party transactions are subject to review by the AC prior to Board's notation.

- All related party transactions carried out by or on behalf of the Trust should be:
- (i) at arm's length basis and on normal commercial terms;
  - (ii) in the best interests of the Unitholders;
  - (iii) adequately disclosed to the Unitholders in accordance with MMLR; and
  - (iv) in relation to a real estate transaction:
    - (a) consented by the Trustee;
    - (b) consistent with the investment objective and strategy of the Trust;
    - (c) transacted at a price that is supported by valuation report;
    - (d) transacted at a price assessed in accordance with the Deed as follows:
      - for acquisitions: not more than one hundred and ten percent (110%) the value assessed in the valuation report; and
      - for disposal: not less than ninety percent (90%) of the value assessed in the valuation report.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board members will consider the Trust’s best interest in relation to decision affecting it when they vote at the Board meetings. In addition, the Directors, Chief Executive Officer and Management of the Manager are expected to act with honesty and integrity at all times.

Role of the Audit Committee on Related Party Transactions

The AC together with the Management reviews the related party transactions to ensure compliance with the internal control procedures, relevant provisions of the Deed, SC’s Listed REITs Guidelines, and the MMLR. The review includes examination of the nature of the transaction and the supporting documents, or such other data deemed necessary by the AC. If a member of the AC has an interest in a transaction, he is to disclose and abstain from participating in the review and the recommendation process in relation to the transaction. The related party transactions for the FY2024 are as disclosed in Note 28 of the notes to the financial statements within this annual report.

Management of Conflict of Interest

The Management of Conflict of Interest Policy outlines the Manager’s commitment in meeting its fiduciary obligations in managing situations that gives rise to conflict of interest. All employees and directors shall not place his or her personal interests before the interests of the Trust or the Manager where such personal interests unduly influence business judgement, decisions or actions. During the reporting period, the Manager has further enhanced the Conflict of Interest disclosure requirement by ensuring that all key management staff are required to sign-off quarterly self-declaration form disclosing matters concerning of conflict of interest. It creates awareness among staff in identifying, preventing as well managing such conflict of interests, if any.

The Directors of the Manager are under a fiduciary duty to the Trust to act in its best interests in relation to decisions affecting the Trust when they are voting as members of the Board.

Under the Deed, the related parties of the Manager (as defined in the Deed) are prohibited from voting at, or being part of a quorum for, any meeting of Unitholders convened to approve matter or business, if the related parties have interest in the outcome of a transaction, which is different from the interest of other Unitholders.

All transactions carried out for or on behalf of the Trust are executed on commercial terms and are no less favourable than arm’s length transactions between independent parties. The Manager and the Trustee will avoid conflict of interests from arising or if conflict arises, will ensure that the Trust is not disadvantaged by the transaction concerned.

Save for Directors’ interests in the Trust (as disclosed on the Manager’s Report) and the transactions with companies related to the Manager (as disclosed in Note 28 of the notes to the financial statements within this annual report), no conflict of interest has arisen during the financial year under review.

Trading in AmFIRST REIT’s Units by Directors and Employees

The Manager adopts best practices and issues notices to its Directors and employees, which prohibit dealings in AmFIRST REIT’s units while in possession of material unpublished price-sensitive information. Under the MMLR, the Directors and employees of the Manager are prohibited from dealing in AmFIRST REIT’s units during the period commencing 30 calendar days before the targeted date of announcement of the Trust’s quarterly results to Bursa Malaysia, up to the date of announcement of the Trust’s quarterly results. However, in contrast to MMLR’s 30 calendar days closed period requirement, the Manager regularly notifies its Directors and employees on the maximum closed period of up to two months, which takes effect immediately on the date after the end of each financial reporting quarter.

If any of such affected persons deal in AmFIRST REIT’s units during such closed period, they are required to comply with the conditions as set out in the MMLR and the related policies of the Manager. They are also always made aware of the applicability of the insider trading laws and appropriate disclosures of their trading activities, if there are any. There were no dealings in AmFIRST REIT’s units during the closed periods by the Directors or employees of the Manager reported during the financial year up to the date of this Report.

Whistleblower Protection

The Manager has a policy in place to provide employees of the Manager and members of the public with well-defined and accessible channels to report on suspected fraud, corruption, dishonest practices, or other similar matters relating to the Trust and the Manager. The aim of the policy is to promote whistleblowing in a positive and independent manner, which provides an avenue to escalate concern on improper conduct or transactions and such concerns are being addressed appropriately.

The policy provides protection to whistleblowers, which includes not only the employees but also any person who provides information, causing information to be provided or otherwise assisting in an investigation regarding improper conduct and / or filing, causing to be filed, testifying, participating in or otherwise assisting in a proceeding filed or about to be filed relating to the violation of policies or legislative requirements.

Anti-Bribery and Corrupt Practices

In November 2023, the Board endorsed The Anti-Bribery and Corrupt Practices Policy (ABCP), which was formulated to ensure the Manager conducts its business conforming to the highest level of integrity and ethics, and all employees comply with the relevant laws and regulations on anti-bribery and corruption. The policy represents AmFIRST REIT and its Manager’s stance of zero tolerance to bribery and corruption and serves to protect the REIT and the Manager from financial and reputational loss as a result of regulatory and/or enforcement, censure and action.

The objective of the ABCP is to establish standards and guidance for the Manager to understand and comply with the requirements and obligations imposed under Malaysian Anti-Corruption Commission Act 2009 (MACC Act 2009) and Guidelines on Adequate Procedures issued pursuant to subsection (5) of Section 17A of MACC Act 2009, which include amongst others, the five guiding principles under **TRUST**:

- (i) **T**op level commitment to ensure that the commercial organisation essentially practices the highest level of integrity and ethics;
- (ii) Conducting **R**isk Assessment;
- (iii) **U**ndertake control measures;

- (iv) **S**ystematic review, monitoring, and enforcement; and
- (v) **T**raining and communication.

There are robust procedures and controls in place to identify, prevent, monitor, report, and detect attempts to facilitate bribery or corrupt activities.

Conclusion

The Board has received assurance from the Chief Executive Officer, Head of Finance and Compliance Officer of the Manager that the risk management and internal control system is operating adequately and effectively, in all material aspects.

The external auditors have reviewed this Statement for inclusion in the Annual Report 2024 as required by Paragraph 15.23 of the MMLR of Bursa Malaysia. The external auditors conducted the review in accordance with the Audit and Assurance Practice Guides 3 – Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the annual report (AAPG 3) issued by the Malaysian Institute of Accountants. The review has been conducted to assess whether this Statement is both supported by the documentation prepared by or for the Board and appropriately reflects the processes the Board had adopted in reviewing the adequacy and integrity of the system of internal controls of the Manager. AAPG 3 does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the effectiveness of the risk and control procedures. AAPG 3 also does not require the external auditors to consider whether the processes described to deal with material internal control aspects of any significant matters disclosed in the annual report will, in fact, mitigate the risks identified or remedy the potential problems. Based on their review, the external auditors have reported to the Board that nothing had come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the processes the Board has adopted in the review of the adequacy and effectiveness of the risk management and internal control.

The Board is of the view that the system of internal control and risk management for the year under review and up to the date of approval of this Statement is in place, sound and provides a level of confidence on which the Board relies for assurance.

AUDIT COMMITTEE REPORT

An Audit Committee (AC) was established by the Board to assist the Manager in fulfilling its statutory and fiduciary responsibilities relating to internal controls, financial reporting and reviewing policies, as well as to carry out certain oversight functions on behalf of the Board with the main objective of protecting the interests of the Unitholders.

As of this report date, the AC comprises four members, all of whom are Non-Executive Directors, of which three members are Independent Directors. The AC Chairman is an Independent Non-Executive Director.

Name	Designation	Number of Meeting	% of Attendance
Dato’ Wong Nam Loong	Chairman / Independent Non-Executive Director	4/4	100.0
Dato’ Abdullah Thalith Bin Md Thani	Independent Non-Executive Director	3/4	75.0
Jas Bir Kaur A/P Lol Singh (Appointed on 1 August 2023)	Independent Non-Executive Director	3/3	100.0
Soo Kim Wai	Non-Independent Non-Executive Director	4/4	100.0

The primary roles and responsibilities of the AC are to monitor and evaluate the effectiveness of the Trust and the Manager’s internal controls and to ensure that the financial statements comply with the applicable financial reporting standards. The Board is of the view that the AC members have the relevant expertise to discharge the functions of an AC.

The AC has a set of Terms of Reference defining its scope of authority, in relation to its management of the Trust.

Terms of Reference

The AC is governed by the Terms of Reference as listed below:

Primary Roles and Responsibilities

- (i)

To provide assistance to review and report to the Board in relation to:

(a)

fulfilling the statutory and fiduciary responsibilities of the Manager; and

(b)

monitoring of the accounting and financial reporting practices of the Trust and the Manager.

Composition and Meeting Attendance

AC meets at quarterly intervals or such other intervals as the AC shall decide. The quorum necessary for the transaction of the business of the AC shall be two members. A total of four meetings were held during FY2024. The attendance of the AC members to the AC meetings held for the FY2024 were as follows:

- (ii)

To determine that the Trust and the Manager have adequate established policies, procedures and guidelines, operating and internal controls, and that they are being complied with and are operating effectively in promoting efficiency and proper conduct in the management and protection of the assets of the Trust.
- (iii)

To serve as an independent and objective party in the review of the financial information of the Trust that is presented by the Management to the Board.
- (iv)

To review the quarterly and annual financial statements of the Trust prior to the approval by the Board in particular, with reference to:

(a)

changes in or implementation of major accounting policy;

(b)

significant and unusual events; and

(c)

compliance with accounting standards and other regulatory requirements.
- (v)

To review and approve the scope of audits, audit plans and audit reports of both the external and internal auditors.

- (vi)

To evaluate the adequacy and effectiveness of the Manager’s control systems through the review of the reports of both the external and internal auditors that highlight internal accounting, organisational and operating control weaknesses and to determine that appropriate corrective actions are being taken by the Manager.
- (vii)

To ensure the adequacy of the scope, functions and resources of the internal audit functions and that they have the necessary authority to carry out their works.
- (viii)

To ensure thorough discussions with the external and internal auditors, that no restrictions are being placed by the Manager and employees of the Manager on the scope of their examinations.
- (ix)

To direct and supervise any special project or investigation, which is considered necessary.
- (x)

To prepare, when necessary, periodic reports to the Board summarising the work performed in fulfilling the AC primary responsibilities.
- (xi)

To review any related party transaction and conflict of interest situation that may arise including any transaction, procedure or course of conduct that raises questions of the Manager’s integrity.
- (xii)

To review the annual appointment of the external auditors, or letter of resignation from external auditors, to negotiate and approve the annual audit fees and / or special audit fees and evaluate basis of billings therewith.

Summary of Activities of the AC

The activities of the AC for FY2024 were as listed below:

- (i)

Reviewed the adequacy and effectiveness of the internal control systems through the risk management framework, compliance and internal audit activities to ensure there is a systematic methodology to identify, assess and mitigate risk areas.
- (ii)

Reviewed the adequacy of the scope, functions and resources of GIAD, deliberated on and approved GIAD’s Annual Audit Plan.

- (iii)

Deliberated on GIAD’s reports and audit recommendations, Management’s responses and status of resolution of the audit issues and recommendations highlighted, to ensure Management had taken prompt and effective corrective actions to address the issues reported.
- (iv)

Reviewed and approved the external auditor’s audit plan for the year (inclusive of risk and audit approach, system evaluation, audit fees and issues raised, and the Manager’s responses) prior to the commencement of the annual statutory audit. The external auditors had one private session with the AC without the presence of Management, giving the AC and external auditors an opportunity to deliberate confidential matters that might not have been specifically asked in the formal part of the AC meeting.
- (v)

Reviewed the financial statements, audit report, issues and reservations arising from the statutory audit with the external auditors.
- (vi)

Reviewed and discussed the financial performance with the Management.
- (vii)

Reviewed the quarterly results and financial statements of the Trust for recommendation to the Board for approval before release to Bursa Malaysia.
- (viii)

Reviewed quarterly compliance reports to ensure regulatory requirements, internal policies as well as procedures are adhered to.
- (ix)

Reviewed and endorsed all related party transactions entered into by the Trust.
- (x)

Reviewed the implications of latest changes and pronouncements on the Trust and/or the Manager, issued by the statutory and regulatory bodies.
- (xi)

Reviewed overall risk management matters including risk profile register to ensure adequate measures are in place to manage the risks.
- (xii)

Reported to the Board on the significant issues and concerns discussed during the AC meetings, together with applicable recommendations. Minutes of the AC meetings were tabled and noted by the Board.

- (xiii)

Reviewed and recommended the re-appointment of external auditors to the Board for approval.

(xiv)

Reviewed and recommended the following policies to the Board for approvals:

(a)

Trading in AmFIRST REIT's Units Policy

(b)

Anti-Bribery and Corrupt Practices Policy

(c)

Whistleblower Protection Policy

(xv)

Reviewed and noted updates on Bursa Malaysia's MMLR in relation to the following subject matter:

(a)

*Sustainability Training for Directors*  
It was newly introduced as an enhancement to the existing Mandatory Accreditation Programme for the Directors.

(b)

*Conflict of Interest (COI)*  
The amendment seeks to achieve greater transparency on COI of key persons in a listed issuer and strengthening accountability and transparency of the AC in its oversight role over COI situations.

(c)

Reviewed and noted COI enhancements made by the Management on Due Diligence Checklist and introduction of quarterly COI Self-Check and Declaration Form pursuant to Bursa Malaysia's amendments on MMLR.

(xvi)

Reviewed conflict of interest situation that may arise, including any transaction, procedure or course of conduct that raises a question of the Manager's integrity. Pursuant to MMLR's paragraph 15.15(3)(f), during the financial year there was no transaction that involves COI nor there was any potential COI situation except those that has already been disclosed as related party transactions in the Note 28 of the notes to the financial statements within this annual report.
- (i)

The internal audit function is undertaken by AmBank (M) Berhad's GIAD, headed by the Group Chief Internal Auditor (GCIA), En. Shamsul Bahrom Bin Mohamed Ibrahim.

(ii)

The GCIA does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Manager.

(iii)

GIAD is independent of the activities and operations of the Manager, and reports directly to the AC.

(iv)

GIAD operates under an audit charter mandated by the AC, which gives it unrestricted access to review all activities of the Manager.

(v)

GIAD's activities conform with the Institute of Internal Auditors (IIA)'s International Standards for the Professional Practice of Internal Auditing as well as standards and requirements set out by the relevant Regulators, such as BNM and the Securities Commission Malaysia on the internal audit function.

(vi)

GIAD focuses its efforts in accordance with the Annual Audit Plan (AAP) approved by the AC, and the main objective of the audit reviews are to assess the adequacy and effectiveness of the risk management and systems of internal controls governing the activities carried out by the Manager.

(vii)

GIAD undertook the following activities during FY2024:

(a)

Determined and assessed the risk in all areas of activities of the Manager and the Trust and established the AAP, which sets out the key areas of audit focus and emphasis.

(b)

Undertook and completed the planned audit review as set out in the AAP to provide an independent assessment and objective assurance on the adequacy and effectiveness of governance, risk management and internal controls over the business activities and operations.

(c)

Prepared the audit report on the results of the review, incorporating the overall assessment and conclusion of the review, detailed audit observations, recommendations to enhance existing processes and internal controls and Management's responses on the agreed action plan to address the recommendations.

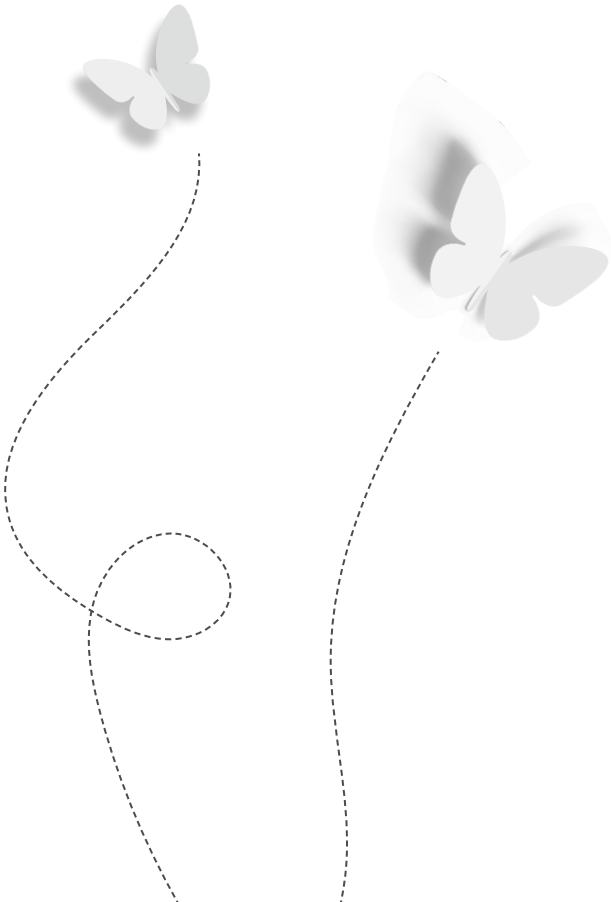
(d)

The audit report was discussed with the Management, tabled and deliberated at the AC meeting.

(e)

Performed follow-up with the Management on the status of resolution of audit issues and recommendations, and tabled updates on the status at each AC meeting, until full resolution of the issues highlighted.

Internal Audit





DIRECTORS’ RESPONSIBILITY STATEMENT

The Board is responsible to ensure that the financial statements for the FY2024 have been prepared and drawn out in accordance with the Malaysian Financial Reporting Standards in Malaysia, International Financial Reporting Standards, applicable provisions of the Deed of AmFIRST REIT and the SC’s Listed REITs Guidelines, so as to give a true and fair view of the financial position of AmFIRST REIT as at 31 March 2024 and of its financial performance and cash flows for the financial year then ended.

In preparing the financial statements for the FY2024, the Directors have:

- Adopted appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Ensured that the financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards; and
- Prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Trust have adequate resources to continue in operational existence for the foreseeable future.

The Directors of the Manager are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of AmFIRST REIT. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities.

MANAGER’S REPORT

For the Financial Year Ended 31 March 2024

The Board have the pleasure in presenting their report to the Unitholders of the Trust together with the audited financial statements of the Trust for the financial year ended 31 March 2024.

The Trust and Manager, and their Principle Activities

The Trust was constituted pursuant to the execution of a Deed dated 28 September 2006 (Original Deed) (as amended by the First Supplemented, Revised and Restated Trust Deed dated 15 December 2006 (First Deed), the Second Restated Deed dated 13 September 2013 (Second Deed) and the Third Restated Deed dated 12 June 2020 (Third Deed or the Deed)) by the Manager and the Trustee, Maybank Trustees Berhad. The Third Deed superseded the Original Deed, the First Deed and the Second Deed.

The principal activity of the Trust is to own and invest in a portfolio of commercial properties in major growth areas of Malaysia, primarily in the Klang Valley.

AmREIT, the Manager of AmFIRST REIT, is a private limited liability company incorporated and domiciled in Malaysia. AmREIT is principally involved in the business of managing real estate investment trusts.

AmREIT, is a wholly owned subsidiary of AmREIT Holdings, incorporated in Malaysia. AmREIT Holdings is 70% owned by AIGB and 30% owned by AmProp. AmProp is a 100% owned subsidiary of Amcorp, which is also a substantial shareholder of AMMB, the ultimate holding company of AmREIT.

Manager’s Fees and Commission

Pursuant to the Deed, the Manager is entitled to receive from the Trustee out of the Assets of the REIT, a base fee (excluding any taxes payable) of up to 0.5% per annum of the total asset value and a performance fee (excluding any taxes payable) of 3% per annum of the net rental income, but before deduction of property management fees. During the financial year ended 31 March 2024, the Manager’s fee consists of base fee of 0.3% (FY2023 : 0.3%) per annum and performance fee of 3.0% (FY2023 : 3.0%) per annum.

In addition, the Manager will also be entitled to an acquisition fee of 1% of the acquisition price of any real estate or single-purpose company whose principal assets comprise real estate for any acquisition by AmFIRST REIT and a divestment fee of 0.5% of the sale price of any real estate or single-purpose company whose principal assets comprise real estate, sold or divested by AmFIRST REIT (pro-rated, if applicable to the proportion of the interest in real estate or single-purpose company purchased or sold).

During the financial year, the Manager did not receive any soft commission (i.e. goods and services) from its broker, by virtue of transactions conducted by AmFIRST REIT.

Material Litigation

There is no material litigation pending since the issuance of the last annual report up to the date of this report except for one as disclosed in Note 32 to the Financial Statements on pages 192 to 195.

Changes in the State of Affairs

There was no change in the state of affairs of the Trust during the financial year under review.

Material Contract

There was no material contract entered by the Trust that involved the Directors of the Manager or major Unitholders of the Trust during the financial year under review.

Directors of the Manager

The Directors of the Manager in office since the date of the last report and at the date of this report are:-

Soo Kim Wai  
Dato’ Wong Nam Loong  
Dato’ Abdullah Thalith Bin Md Thani  
Jas Bir Kaur A/P Lol Singh (Appointed on 19 May 2023)  
Azlan Baqee Bin Abdullah  
Yap Huey Wen

Directors’ Benefits

Since the end of the previous financial year, no Director of the Manager has received or become entitled to receive a benefit (other than benefits, which are accrued from the fees paid to the Manager or from transactions made with companies related to the Manager as shown in the notes to the financial statements of the Trust) by reason of a contract made by the Manager or the Trust or a related corporation with the Director of the Manager or with a firm in which the Director of the Manager is a member, or with a company in which the Director of the Manager has substantial financial interest, other than related party transactions as shown in Note 28 to the financial statements of the Trust.

Neither at the end of the financial year, nor at any time during the financial year, did there subsist any arrangement to which the Manager or the Trust was a party, whereby the Directors of the Manager might acquire benefits by means of acquisition of shares or debentures of the Manager or any other body corporate, other than those arising from the scheme shares and options granted pursuant to the Executives’ Share Scheme of AMMB, the ultimate holding company, or the acquisition of units of the Trust.

Directors’ Interest

None of the Directors of the Manager in office at the end of the financial year had any interest in the Trust during the financial year ended 31 March 2024.

Sanction and / or Penalties

There was no public sanction and/or penalty imposed on the Trust and the Directors of the Manager by the relevant regulatory bodies during the financial year ended 31 March 2024.

Family Relationship with any Director and / or Substantial Unitholders

None of the Directors of the Manager has any family relationship with any other Directors or major Unitholders of AmFIRST REIT.

Conflict of Interest

No conflict of interest has arisen during the financial year under review.

Convictions for Offences (other than Traffic Offences)

None of the Directors has been convicted for offences within the past five years.

Audit and Non-Audit Fee

The amount of audit and non-audit fees paid or payable to the external auditors for the financial year ended 31 March 2024 are as follows:

	FY2024
Audit Fee	65,000
Non-Audit Fees	11,000

Other Statutory Information

- (a) Before the statement of financial position and statement of comprehensive income of the Trust were made out, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing-off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no bad debts and that no provision for doubtful debts was necessary; and

(ii) to ensure that any current asset which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Trust which would render:

(i) it necessary to write off any bad debts or to make any provision for doubtful debts in the financial statements of the Trust; and

(ii) the values attributed to current assets in the financial statements of the Trust misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Trust misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Trust which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:

(i) any charge on the assets of the Trust which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Trust which has arisen since the end of the financial year, other than those arising in the normal course of the business of the Trust.
- (f) In the opinion of the Directors of the Manager:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Trust to meet its obligations as and when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Trust for the financial year in which this report is made.

Auditors

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

To the extent permitted by law, the Trust has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young PLT during or since the financial year.

Signed on behalf of the Board of the Manager in accordance with a resolution of the Directors of the Manager.

SOO KIM WAI

Kuala Lumpur, Malaysia  
Date: 20 May 2024

AZLAN BAQEE BIN ABDULLAH

# Financial Statements

- Statement of Financial Position
- Statement of Comprehensive Income
- Statement of Changes in Net Asset Value
- Statement of Cash Flows
- Notes to the Financial Statements
- Statement by the Directors of the Manager
- Statutory Declaration
- Trustee’s Report
- Independent Auditors’ Report





**STATEMENT OF FINANCIAL POSITION**

AS AT 31 MARCH 2024

	Note	2024 RM	2023 RM
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	6 and 8	1,557,799,876	1,543,421,319
Derivatives	10	97,582	417,710
Right-of-use assets	7	857,042	668,620
Receivables	8	33,143,075	29,155,619
		1,591,897,575	1,573,663,268
<b>Current assets</b>			
Receivables	8	8,457,264	14,602,203
Derivatives	10	35,450	184,996
Deposits with financial institution	9	1,584,011	1,551,122
Cash and bank balances		1,456,707	1,656,177
		11,533,432	17,994,498
<b>TOTAL ASSETS</b>		<b>1,603,431,007</b>	<b>1,591,657,766</b>
<b>UNITHOLDERS' FUNDS</b>			
Unitholders' capital	16	636,624,829	636,624,829
Undistributed income		177,533,978	168,249,575
<b>Total unitholders' funds</b>		<b>814,158,807</b>	<b>804,874,404</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Rental deposits	11	12,280,160	15,237,881
Deferred tax liabilities	12	-	1,260,797
Borrowings	13	500,539,731	249,885,337
Lease liabilities	14	604,252	585,154
		513,424,143	266,969,169
<b>Current liabilities</b>			
Payables	15	7,158,085	7,198,335
Rental deposits	11	11,635,331	8,283,331
Borrowings	13	256,772,703	504,241,294
Lease liabilities	14	281,938	91,233
		275,848,057	519,814,193
<b>TOTAL LIABILITIES</b>		<b>789,272,200</b>	<b>786,783,362</b>
<b>TOTAL UNITHOLDERS' FUNDS AND LIABILITIES</b>		<b>1,603,431,007</b>	<b>1,591,657,766</b>
<b>NET ASSET VALUE</b>		<b>814,158,807</b>	<b>804,874,404</b>
<b>NUMBER OF UNITS IN CIRCULATION</b>	16	<b>686,401,600</b>	<b>686,401,600</b>
<b>NET ASSET VALUE PER UNIT</b>			
- before proposed final distribution		1.1861	1.1726
- after proposed final distribution		1.1743	1.1570

The accompanying notes are an integral part of the financial statements.

**STATEMENT OF COMPREHENSIVE INCOME**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024 RM	2023 RM
<b>Revenue</b>	17	<b>101,429,125</b>	103,428,901
Property expenses	18	(44,217,971)	(44,517,799)
<b>Net rental income</b>		<b>57,211,154</b>	58,911,102
Interest income		41,517	76,071
Changes in fair value of investment properties	6	9,590,929	(2,603,550)
(Loss)/gain on financial liabilities measured at amortised cost		(185,360)	328,515
Fair value (loss)/gain on derivatives		(469,675)	602,707
Loss on disposal of investment property	6	-	(4,652,468)
Other income		68,439	37,640
		66,257,004	52,700,017
<b>Administrative expenses</b>			
Manager's fee	19	(6,520,870)	(6,688,449)
Trustee's fee	20	(320,189)	(321,390)
Valuation fee		(96,000)	(196,800)
Auditors' remuneration		(73,980)	(68,870)
Tax agent's fee		(12,296)	(10,918)
Other expenses	21	(774,900)	43,078
		(7,798,235)	(7,243,349)
<b>Operating profit</b>		<b>58,458,769</b>	45,456,668
<b>Finance cost:</b>			
Interest on lease liabilities		(39,194)	(11,407)
Interest expense		(34,059,611)	(31,222,099)
		(34,098,805)	(31,233,506)
<b>Profit before taxation</b>		<b>24,359,964</b>	14,223,162
Taxation	22	1,260,797	(24,786)
<b>Profit for the financial year after taxation, representing total comprehensive income for the financial year</b>		<b>25,620,761</b>	14,198,376
<b>Total comprehensive income for the financial year is made up as follows:</b>			
- Realised income		12,402,627	17,526,514
- Realised loss on disposal		-	(4,652,468)
- Unrealised		13,218,134	1,324,330
		25,620,761	14,198,376
<b>Earnings per unit (realised) (sen)</b>			
- after manager's fee	23	1.81	1.88
- before manager's fee		2.76	2.85

**STATEMENT OF COMPREHENSIVE INCOME**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024 RM	2023 RM
<b>Income distribution (RM)</b>	24		
Interim income distribution of 0.82 sen per unit paid on 28 December 2023 (2023: 1.14 sen per unit paid on 28 December 2022)		<b>5,628,495</b>	7,824,980
Proposed final income distribution of 1.18 sen per unit payable on 31 May 2024 (2023: Final income distribution of 1.56 sen per unit paid on 31 May 2023)		<b>8,099,539</b>	10,707,863
		<b>13,728,034</b>	18,532,843
<b>Income distribution per unit* (sen)</b>			
- Interim		<b>0.82</b>	1.14
- Final		<b>1.18</b>	1.56
		<b>2.00</b>	2.70

\* Withholding tax will be deducted for distributions made to the following types of Unitholders:

	2024	2023
Resident individual	<b>10%</b>	10%
Resident institutional investor	<b>10%</b>	10%
Non-resident institutional investor	<b>10%</b>	10%
Resident company (No withholding tax, subject to prevailing corporate tax rate)	<b>Nil</b>	Nil
Non-resident company	<b>24%</b>	24%

The accompanying notes are an integral part of the financial statements.

**STATEMENT OF CHANGES IN NET ASSET VALUE**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Non-distributable unitholders' capital RM	Distributable realised income RM	Non-distributable unrealised income RM	Unitholders' funds RM
<b>As at 1 April 2023</b>	<b>636,624,829</b>	<b>13,189,100</b>	<b>155,060,475</b>	<b>804,874,404</b>
Total comprehensive income for the financial year	-	<b>12,402,627</b>	<b>13,218,134</b>	<b>25,620,761</b>
	<b>636,624,829</b>	<b>25,591,727</b>	<b>168,278,609</b>	<b>830,495,165</b>
<b>Unitholders' transactions</b>				
Distributions to Unitholders (Note 24) relating to the financial year ended:				
- 2023 final	-	<b>(10,707,863)</b>	-	<b>(10,707,863)</b>
- 2024 interim	-	<b>(5,628,495)</b>	-	<b>(5,628,495)</b>
	-	<b>(16,336,358)</b>	-	<b>(16,336,358)</b>
<b>As at 31 March 2024</b>	<b>636,624,829</b>	<b>9,255,369</b>	<b>168,278,609</b>	<b>814,158,807</b>
<b>As at 1 April 2022</b>	636,624,829	22,025,088	153,098,641	811,748,558
Total comprehensive income for the financial year	-	12,874,046	1,324,330	14,198,376
Realisation of the unrealised loss arising from disposal of investment property	-	(637,504)	637,504	-
	636,624,829	34,261,630	155,060,475	825,946,934
<b>Unitholders' transactions</b>				
Distributions to Unitholders (Note 24) relating to the financial year ended:				
- 2022 final	-	(13,247,550)	-	(13,247,550)
- 2023 interim	-	(7,824,980)	-	(7,824,980)
	-	(21,072,530)	-	(21,072,530)
<b>As at 31 March 2023</b>	636,624,829	13,189,100	155,060,475	804,874,404

The accompanying notes are an integral part of the financial statements.

**STATEMENT OF CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		<b>24,359,964</b>	14,223,162
<i>Adjustments for:</i>			
Accrued lease receivable	6 and 17	<b>(3,021,443)</b>	(3,021,443)
Increase in deposits with financial institution		<b>(32,889)</b>	(32,425)
Interest income		<b>(41,517)</b>	(76,071)
Interest on lease liabilities	14	<b>39,194</b>	11,407
Interest expense		<b>34,059,611</b>	31,222,099
Depreciation of right-of-use assets	7	<b>291,865</b>	201,266
Reversal of ECL	21	<b>(119,795)</b>	(1,177,932)
Changes in fair value of investment properties		<b>(9,590,929)</b>	2,603,550
Loss/(gain) on financial liabilities measured at amortised cost		<b>185,360</b>	(328,515)
Loss on disposal of investment property	6	<b>-</b>	4,652,468
Fair value loss/(gain) on derivatives		<b>469,675</b>	(602,707)
Operating profit before working capital changes		<b>46,599,096</b>	47,674,859
<i>Changes in working capital:</i>			
Decrease in receivables		<b>5,298,720</b>	7,357,307
Decrease in payables		<b>(217,371)</b>	(259,914)
Increase/(decrease) in rental deposits		<b>208,919</b>	(1,638,941)
<b>Net cash generated from operating activities</b>		<b>51,889,364</b>	53,133,311
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net proceeds from disposal of investment properties	6	<b>-</b>	59,947,532
Enhancement cost on investment properties	6	<b>(4,787,628)</b>	(1,878,107)
Interest income		<b>41,517</b>	76,071
<b>Net cash (used in)/generated from investing activities</b>		<b>(4,746,111)</b>	58,145,496
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid		<b>(33,882,489)</b>	(31,162,926)
Distributions paid to Unitholders	24	<b>(16,336,358)</b>	(21,072,530)
Net drawdown/(repayment) of borrowings		<b>3,185,803</b>	(61,087,501)
Payment of lease liabilities	14	<b>(309,679)</b>	(212,207)
<b>Net cash used in financing activities</b>		<b>(47,342,723)</b>	(113,535,164)
<b>Net decrease in cash and cash equivalents</b>		<b>(199,470)</b>	(2,256,357)
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>1,656,177</b>	3,912,534
<b>Cash and cash equivalents at the end of the financial year</b>		<b>1,456,707</b>	1,656,177
<b>Cash and cash equivalents included in the statement of cash flows comprise the following:</b>			
- Cash in hand		<b>10,000</b>	9,000
- Cash in bank		<b>1,446,707</b>	1,647,177
		<b>1,456,707</b>	1,656,177

The accompanying notes are an integral part of the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS****1. GENERAL INFORMATION**

AmFIRST Real Estate Investment Trust ("AmFIRST REIT" or the "Trust") was constituted pursuant to the execution of a Deed dated 28 September 2006 ("Original Deed") (as amended by the First Supplemented, Revised and Restated Trust Deed dated 15 December 2006 ("First Deed"), the Second Restated Deed dated 13 September 2013 ("Second Deed") and the Third Restated Deed dated 12 June 2020 ("Third Deed") executed between the Manager, AmREIT Managers Sdn Bhd and the Trustee, Maybank Trustees Berhad. The Third Deed has superseded the Original Deed, the First Deed and the Second Deed. The Manager, incorporated in Malaysia, is a wholly owned subsidiary of AmREIT Holdings Sdn Bhd. AmREIT Holdings Sdn Bhd is 70% owned by AmInvestment Group Berhad and 30% owned by Amcorp Properties Berhad.

AmFIRST REIT was listed on the Main Market of Bursa Malaysia Securities Berhad on 21 December 2006.

The key objective of AmFIRST REIT is to own and invest in real estate, whether directly or indirectly, through the ownership of single-purpose companies whose principal assets comprise real estate and real estate-related assets.

There have been no significant changes in these activities during the financial year.

The registered office of the Manager is located at 22nd Floor, Bangunan AmBank Group, No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur. The principal place of business of the Manager is located at Suite 101-2, Level 1, Tower 2, Wisma AmFIRST, Jalan Stadium SS 7/15, SS 7, 47301 Petaling Jaya, Selangor.

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with a resolution of the Directors on 20 May 2024.

**2. ACCOUNTING POLICIES****2.1 Basis of preparation**

The financial statements have been prepared on a historical cost basis unless otherwise indicated in the financial statements.

In the preparation of these financial statements, the Manager has made an assessment of the ability of the Trust to continue as a going concern. Based on the assessment, the Manager is not aware of any material uncertainties related to events or condition that may cast significant doubt upon the Trust's ability to continue as a going concern. Hence, these financial statements have been prepared on a going concern basis.

**2.2 Statement of compliance**

The financial statements of the Trust have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"). The Trust also complies with the provision of the Deed and the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts ("SC's Listed REITs Guidelines").

**2.3 Presentation of financial statements**

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Trust.

**2.4 Material accounting policies information**

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been applied consistently to the periods presented in these financial statements, unless otherwise stated.



NOTES TO THE FINANCIAL STATEMENTS

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Material accounting policies information (Cont'd.)

2.4a Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both, rather than for use in the production or supply of goods and services, or for administrative purpose, or sale in the ordinary course of business.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Subsequent to initial recognition, investment properties are stated at fair value which reflects market conditions at the reporting date. The fair value is arrived at by reference to market evidence of transaction prices for similar properties and is valued by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of property being valued. Gain or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

2.4b Leases

The determination of whether an arrangement is, or contains, a lease is based on whether the arrangement conveys a right to control the use of the asset, even if that right is not explicitly specified in an arrangement.

2.4b(i) The Trust as a lessor

Leases in which the Trust does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Rental income is recognised over the term of the lease on a straight-line basis. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.4b(ii) The Trust as a lessee

Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Trust.

At the commencement date of the lease, the Trust recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Trust and payments of penalties for terminating a lease, if the lease term reflects the Trust exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Material accounting policies information (Cont'd.)

2.4b Leases (Cont'd.)

2.4b(ii) The Trust as a lessee (Cont'd.)

In calculating the present value of lease payments, the Trust uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received (if any). Where applicable, the cost of right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term of the assets, as follows:

Retail space	1 to 15 years
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Right-of-use assets are assessed for impairment whenever there is an indication that the right-of-use assets may be impaired.

The Trust applies the short-term lease recognition exemption to its short-term leases, i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value, i.e. those with a value of RM20,000 or less. Lease payments on short-term leases and leases of low-value assets are recognised as expense in the profit or loss.

2.4c Financial instruments – initial recognition and measurement

2.4c(i) Initial recognition

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised using trade date accounting or settlement date accounting. The method used is applied consistently for all purchases and sales of financial assets that belong to the same category of financial assets. The Trust applies trade date accounting for derivative financial instruments.

2.4c(ii) Initial measurement of financial instruments

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Material accounting policies information (Cont'd.)

2.4c Financial instruments – initial recognition and measurement (Cont'd.)

2.4c(iii) “Day 1” profit or loss

When the transaction price differs from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets, the Trust immediately recognises the difference between the transaction price and fair value (a "Day 1" profit or loss) in "gain/(loss) arising from measuring non-current financial liabilities at amortised cost". In cases where fair value is determined using data which is not observable, the difference between the transaction price and model value is only recognised in the profit or loss when the inputs become observable, or when the instrument is derecognised.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Trust's business model for managing them. The financial assets can be measured either at:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); or
- Fair value through profit or loss ("FVTPL").

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are ‘solely payments of principal and interest’ ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

2.4d Financial instruments - classification and subsequent measurement

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Trust commits to purchase or sell the asset.

The Trust determines the classification of its financial assets at initial recognition and categorises receivables as financial assets at amortised cost.

2.4d(i) Financial assets at amortised cost

The Trust measures financial assets at amortised cost if both of the following conditions are met:

- (1) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- (2) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in the profit or loss when the asset is derecognised, modified or impaired.

The Trust's financial assets at amortised cost include trade receivables, cash and bank balances and deposits with financial institution.

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Material accounting policies information (Cont'd.)

2.4d Financial instruments - classification and subsequent measurement (Cont'd.)

2.4d(ii) Financial assets and financial liabilities at fair value through profit or loss: derivatives

The Trust uses derivative instrument, i.e. interest rate swap, to hedge its risk associated with interest rates. Such derivative financial instrument is initially recognised at fair value on the date on which derivative contract is entered into and it is subsequently re-measured at fair value. Derivative is recorded at fair value and carried as asset when its fair value is positive and as liability when its fair value is negative. Changes in fair value of derivative is recognised in profit or loss.

2.4d(iii) Financial liabilities at amortised cost

Financial liabilities issued by the Trust, that are not designated at fair value through profit or loss, are classified as financial liabilities at amortised cost, where the substance of the contractual arrangement results in the Trust having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset.

After initial measurement, borrowings and rental deposits are subsequently measured at amortised cost using the EIR. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

2.4e Derecognition of financial assets and financial liabilities

2.4e(i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the asset have expired; or
- The Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either:
  - the Trust has transferred substantially all the risks and rewards of the asset; or
  - the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Trust has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Trust’s continuing involvement in the asset. In that case, the Trust also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Trust has retained.

NOTES TO THE FINANCIAL STATEMENTS

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Material accounting policies information (Cont'd.)

2.4e Derecognition of financial assets and financial liabilities (Cont'd.)

2.4e(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

2.4f Fair value measurement

The Trust measures certain financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or most advantageous market must be accessible by the Trust.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Trust uses valuation techniques that are in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, comparison with similar instruments for which market observable prices exist, option pricing models and other relevant valuation models.

All assets or liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurements as a whole:

- |          |   |
|----------|---|
| Level 1: | Quoted (unadjusted) market prices in active markets or identical assets or liabilities.   |
| Level 2: | Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. |
| Level 3: | Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.                      |

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Material accounting policies information (Cont'd.)

2.4f Fair value measurement (cont'd.)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on lowest level input that is significant to the fair value measurements a whole) at the financial year end.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 29.

2.4g Financial instruments - expected credit losses

The Trust recognises an allowance for expected credit losses ("ECL") for all financial assets measured at amortised cost. ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Trust expects to receive, discounted at an approximation of the original effective interest rate.

ECL is recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL is provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Trust applies a simplified approach in calculating ECL. Therefore, the Trust does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Trust has established a historical credit loss rate that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Trust considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Trust may also consider a financial asset to be in default when internal or external information indicates that the Trust is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Trust. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4h Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.4i Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and short-term deposits in the statement of financial position comprise cash and bank balances with banks and other financial institutions, and short-term deposits maturing within three months.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term funds with original maturity of less than three months and net of outstanding bank overdrafts.



NOTES TO THE FINANCIAL STATEMENTS

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Material accounting policies information (Cont'd.)

2.4j Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Trust expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in profit or loss net of any reimbursement.

2.4k Contingent liabilities and contingent assets

A contingent liability is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or in extremely rare cases whereby there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised but instead is disclosed in the financial statements. A possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust is also disclosed as a contingent liability unless the probability of outflow or economic resources is remote.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. The Trust does not recognise contingent assets in the financial statements but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

2.4l Recognition of income and expenses

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognised.

2.4l(i) Interest income and similar income and expense

For all financial assets and financial liabilities measured at amortised cost, interest income or expense is recorded using the EIR. EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The carrying amount of the financial asset or financial liability is adjusted if the Trust revises its estimates of payments or receipts. The adjusted carrying amount is calculated based on the original EIR and the change in carrying amount is recorded in profit or loss.

2.4l(ii) Revenue - rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Material accounting policies information (Cont'd.)

2.4l Recognition of income and expenses (Cont'd.)

2.4l(iii) Recognition of revenue from contracts with customers

Revenue is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Trust transfers the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the promised goods or services may transfer over time or at a point in time.

A contract with customer exists when the contract has commercial substance, the Trust and its customer have approved the contract and intend to perform their respective obligations, the Trust's and the customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it is probable that the Trust will collect the consideration to which it will be entitled to in exchange of those goods or services.

At the inception of each contract with customer, the Trust assesses the contract to identify distinct performance obligations, being the units of account that determine when and how revenue from the contract with customer is recognised.

Revenue is measured at the amount of consideration to which the Trust expects to be entitled in exchange for transferring the promised goods or services to the customers, excluding amounts collected on behalf of third parties. If the amount of consideration varies, the Trust estimates the amount of consideration that it expects to be entitled based on the expected value or the most likely outcome but the estimation is constrained up to the amount that is highly probable of no significant reversal in the future. If the contract with customer contains more than one distinct performance obligation, the amount of consideration is allocated to each distinct performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

The consideration allocated to each performance obligation is recognised as revenue when or as the customer obtains control of the goods or services. At the inception of each contract with customer, the Trust determines whether control of the goods or services for each performance obligation is transferred over time or at a point in time. Revenue is recognised over time if the control over the goods or services is transferred over time. Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

2.4m Property expenses

Property expenses consist of property management fees, quit rent, assessment and other outgoings in relation to investment properties.

Property expenses are recognised on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Material accounting policies information (Cont'd.)

2.4n Manager's and Trustee's fees expenses

The Manager's and Trustee's fees are recognised in the profit or loss as the services are delivered and performance obligations met. The Trust assesses whether the individual element of service in the agreement are separate performance obligations. When the agreement includes multiple performance obligations, the transaction price which are stipulated in the agreement is charged to each performance obligation.

The basis by which Manager's and Trustee's fee is derived is as explained in Note 19 and Note 20 respectively.

2.4o Income distribution

Income distributions are recognised as a liability when determined by the Manager. Interim distributions are deducted from Unitholders' funds when they are paid.

Income distribution to Unitholders of AmFIRST REIT that are declared after the reporting period are not recognised as a liability at the end of the reporting period.

2.4p Taxation

2.4p(i) Current tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date.

2.4p(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Material accounting policies information (Cont'd.)

2.4p Taxation (Cont'd.)

2.4p(ii) Deferred tax (Cont'd.)

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted, or substantively enacted, at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or in income statement.

2.4q Earnings per unit

The Trust's earnings per unit ("EPU") is presented based on basic and diluted format.

Basic EPU is calculated by dividing the profit or loss attributable to Unitholders of AmFIRST REIT by the weighted average number of units outstanding during the year.

Diluted EPU is determined by adjusting the profit or loss attributable to Unitholders against the weighted average number of units outstanding adjusted for the effects of all dilutive potential units.

NOTES TO THE FINANCIAL STATEMENTS

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Material accounting policies information (Cont'd.)

2.4r Net asset value ("NAV") per unit

	2024 RM	2023 RM
<b>NAV computation:</b>		
NAV before proposed final income distribution	814,158,807	804,874,404
Less: Proposed final income distribution (Note 24)	(8,099,539)	(10,707,863)
NAV after proposed final income distribution	806,059,268	794,166,541
Number of units in circulation	686,401,600	686,401,600
<b>NAV per unit:</b>		
- before proposed final income distribution	1.1861	1.1726
- after proposed final income distribution	1.1743	1.1570

2.4s Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker who is responsible for allocating resources and assessing performance of the operating segments. This has been identified as the Chief Executive Officer of the Manager that makes strategic decisions.

3. CHANGES IN ACCOUNTING POLICIES

3.1 Adoption of amendments and annual improvements to standards

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following amendments to published standards:

- MFRS 17 *Insurance Contracts*
- Classification of Liabilities as Current or Non-Current (Amendments to MFRS 101 *Presentation of Financial Statements*)
- Disclosure of Accounting Policies (Amendments to MFRS 101 *Presentation of Financial Statements*)
- Definition of Accounting Estimates (Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*)
- Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendment to MFRS 17 *Insurance Contracts*)
- Extension of Temporary Exemption from Applying MFRS 9 (Amendments to MFRS 4 *Insurance Contracts*)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 *Income Taxes*)
- International Tax Reform - Pillar Two Model Rules (Amendments to MFRS 112 *Income Taxes*)

Other than MFRS 17 and amendments to MFRS 4 which are not applicable to the Trust, the adoption of these amendments to published standards did not have any material impact on the financial statements of the Trust. The Trust did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments to published standards.

3. CHANGES IN ACCOUNTING POLICIES (CONT'D.)

3.1 Adoption of amendments and annual improvements to standards (Cont'd.)

The nature of the new standards and amendments to published standards relevant to the Trust are described below:

(a) Classification of Liabilities as Current or Non-Current (Amendments to MFRS 101 *Presentation of Financial Statements*)

The amendments clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities are classified as non-current if the entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period. Classification is unaffected by the expectations or intentions of the entity, as well as events after the reporting date. The adoption of these amendments did not result in any impact to the financial statements of the Trust.

(b) Disclosure of Accounting Policies (Amendments to MFRS 101 *Presentation of Financial Statements*)

The amendments require entities to disclose material accounting policies rather than significant accounting policies in the financial statements. Entities are expected to make disclosure of accounting policies specific to the entity and not generic disclosures on MFRS applications.

An accounting policy is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the users make based on those financial statements. Also, accounting policy information is expected to be material if, without it, the users of the financial statements would be unable to understand other material information in the financial statements. Immaterial accounting policy information need not be disclosed. The adoption of these amendments did not result in any material impact to the financial statements of the Trust.

(c) Definition of Accounting Estimates (Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*)

The amendments redefined accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty" and provide clarity on how to distinguish changes in accounting policies from changes in accounting estimates.

The amendments further clarified that effects of a change in an input or measurement technique used to develop an accounting estimate (for example, expected credit losses, fair value of an asset or liability, and depreciation for property and equipment) is a change in accounting estimate, if they do not arise from prior period errors. The adoption of these amendments did not result in any material impact to the financial statements of the Trust.

(d) Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 *Income Taxes*)

The amendments clarified that the initial exemption rule from recognising deferred taxes does not apply to transactions where both an asset and a liability are recognised at the same time resulting in equal amounts of taxable and deductible temporary differences. This essentially means that lessees would not be able to apply the initial exemption rule in MFRS 112 for the assets and liabilities arising from leases. The adoption of these amendments did not result in any material impact to the financial statements of the Trust.



3. CHANGES IN ACCOUNTING POLICIES (CONT'D.)

3.1 Adoption of amendments and annual improvements to standards (Cont'd.)

(e) International Tax Reform - Pillar Two Model Rules (Amendments to MFRS 112 *Income Taxes*)

The amendments introduced a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules. The adoption of these amendments did not result in any impact to the financial statements of the Trust as the Trust's activities are principally conducted in Malaysia.

3.2 Standards issued but not yet effective

The following are amendments to published standards issued but not yet effective up to the date of issuance of the Trust's financial statements. The Trust intend to adopt the relevant standards and amendments to published standards when they become effective.

Description	Effective for annual periods beginning on or after
- Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 <i>Leases</i> )	1 January 2024
- Non-current Liabilities with Covenants (Amendments to MFRS 101 <i>Presentation of Financial Statements</i> )	1 January 2024
- Supplier Finance Arrangements (Amendments to MFRS 107 <i>Statement of Cash Flows</i> and MFRS 7 <i>Financial Instruments: Disclosures</i> )	1 January 2024
- Lack of Exchangeability (Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates</i> )	1 January 2025
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 <i>Consolidated Financial Statements</i> and MFRS 128 <i>Investments in Associates and Joint Ventures</i> )	To be determined by MASB

The nature of the new standards, amendments to published standards and new interpretation that are issued and relevant to the Trust but not yet effective are described below. The Trust are currently assessing the financial effects of their adoption.

(a) Amendments to published standards effective for financial year ending 31 March 2025

Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 *Leases*)

The amendments clarified that, in subsequently measuring the lease liability, seller-lessee determines lease payments and revised leased payments in a way that does not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

3. CHANGES IN ACCOUNTING POLICIES (CONT'D.)

3.2 Standards issued but not yet effective (Cont'd.)

(a) Amendments to published standards effective for financial year ending 31 March 2025 (Cont'd.)

Non-current Liabilities with Covenants (Amendments to MFRS 101 *Presentation of Financial Statements*)

The amendments clarified that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before reporting date would affect classification as current or non-current, even if the covenant is only assessed after the entity's reporting date.

Supplier Finance Arrangements (Amendments to MFRS 107 *Statement of Cash Flows* and MFRS 7 *Financial Instruments: Disclosures*)

The amendments introduced new disclosure requirements for supplier finance arrangements which include terms and conditions of supplier financing arrangements, the amounts of the liabilities that are the subject of such agreements, the range of payment due dates and information on liquidity risk.

(b) Amendments to published standards effective for financial year ending 31 March 2026

Lack of Exchangeability (Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates*)

The amendments clarified when a currency is exchangeable into another currency and how an entity estimates a spot rate when a currency lacks exchangeability. New disclosure requirements include the nature and financial impacts of the currency not being exchangeable, spot exchange rate used, estimation process and risks to the entity when the currency is not exchangeable.

(c) Standard effective on a date to be determined by MASB

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 *Consolidated Financial Statements* and MFRS 128 *Investments in Associates and Joint Ventures*)

The amendments clarify that:

- gains and losses resulting from transactions involving assets that do not constitute a business, between an entity and its associate or joint venture are recognised in the entity's financial statements only to the extent of unrelated investors' interests in the associate or joint venture; and
- gains and losses resulting from transactions involving the sale or contribution to an associate of a joint venture of assets that constitute a business is recognised in full.

4. SIGNIFICANT CHANGES IN REGULATORY REQUIREMENTS

There are no significant changes in regulatory requirements during the current financial year.

## NOTES TO THE FINANCIAL STATEMENTS

### 5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in accordance with MFRS and IFRS required the Trust to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures. Judgements, estimates and assumptions are continually evaluated and are based on past experience, reasonable expectations of future events and other factors. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying AmFIRST REIT's accounting policies, the Trust has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

#### 5.1 Critical judgements made in applying accounting policies

##### Allowance of ECL

The Trust applies a simplified approach in calculating ECL by recognising a loss allowance based on lifetime ECL at each reporting date. The Trust has established a historical credit loss rate that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

##### Exemption of current year's income tax expense

Pursuant to the amendment of Section 61A of the Income Tax Act, 1967 under the Finance Act 2006 which was gazetted on 31 December 2006, where 90% or more of the total income of the Trust is distributed to its Unitholders in the basis period for a year, the total income of the Trust for that year of assessment shall be exempted from tax. No provision for tax has been made by the Trust as the Trust is intended to distribute 90% or more of the total income of the Trust to its Unitholders.

##### Operating lease commitments – as lessor

The Trust has entered into commercial property leases on its investment property portfolio. AmFIRST REIT has determined, based on an evaluation of the terms and conditions of the arrangements such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

#### 5.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### 5.2a Fair valuation of investment properties

The Trust carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. The Trust had engaged independent professional valuers to determine the fair value of investment properties. The Income Approach by investment method is usually the preferred method used for valuing REIT properties as it provides the best indication of the worth of the property. However, Comparison Method may also be used as an appropriate method based on the professional valuer's opinion in specific circumstances. The professional valuers will generally use the Market/Comparison method as a guide and supportive method to the Income Approach by investment method if used and vice-versa. The independent professional valuers have taken into consideration of all pertinent factors and based upon analysis of relevant market data to derive the opinion of market value of the investment properties.

### 5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D.)

#### 5.2 Key sources of estimation uncertainty (Cont'd.)

##### 5.2a Fair valuation of investment properties (Cont'd.)

The estimated fair value may differ from the actual selling price at which the investment properties could be sold. Actual realisation of net assets could differ from the valuation used in the financial statements and the difference could be significant.

The determined fair value of the investment properties by the independent professional valuers is most sensitive to the estimated yield rates. The range of the term yield rate and the reversion yield rate used in the valuation are disclosed in Note 6.

The following table demonstrates the sensitivity of the fair value measurement to changes in estimated term yield rate and reversion yield rate and its corresponding sensitivity result in a higher or lower fair value measurement:

	Fair value Increase/(decrease)	
	2024 RM	2023 RM
<b>Yield rate</b>		
+ 0.25%	(55,500,000)	(49,526,000)
- 0.25%	59,000,000	54,113,000

The other key assumptions used to determine the fair value of the investment properties are further explained in Note 6.

### 6. INVESTMENT PROPERTIES

	2024 RM	2023 RM
As at beginning of the financial year	1,543,421,319	1,608,746,762
Enhancements	4,787,628	1,878,107
Disposal	-	(64,600,000)
Changes in fair value:		
- Based on valuation report	12,612,372	417,893
- Accrued lease receivable	(3,021,443)	(3,021,443)
As at end of the financial year	1,557,799,876	1,543,421,319

## NOTES TO THE FINANCIAL STATEMENTS

## 6. INVESTMENT PROPERTIES (CONT'D.)

The carrying amount of the investment properties for the financial years ended 31 March 2024 and 31 March 2023 is based on the market value determined based on valuations, adjusted with accrued lease receivable as required by MFRS 140, as follows:

	2024 RM	2023 RM
Investment properties - based on valuation report	1,590,600,000	1,573,200,000
Investment properties - accrued lease receivable (Note 8)	(32,800,124)	(29,778,681)
Carrying amount	1,557,799,876	1,543,421,319

Investment properties are stated at fair value which has been determined based on valuations that reflect market conditions at the end of the reporting period by accredited independent valuers.

The investment properties are carried at Level 3 of the fair value measurement hierarchy as defined in Note 2.4f. There have been no transfers between Level 1, Level 2 and Level 3 during the financial years ended 31 March 2024 and 31 March 2023.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description of property	Valuation technique	Term yield <sup>1</sup>	Reversion yield <sup>2</sup>
<b>2024</b>			
(i) Menara AmBank	Investment method	6.00%	6.25%
(ii) Bangunan AmBank Group	Investment method	6.00%	6.50%
(iii) Wisma AmFIRST	Investment method	6.00%	6.50%
(iv) The Summit Subang USJ <sup>3</sup>	Investment method	6.00%	5.50% - 6.25%
(v) Prima 9	Investment method	6.00%	6.50%
(vi) Prima 10	Investment method	6.00%	6.50%
(vii) Jaya 99	Investment method	6.00%	6.50%
(viii) Mydin Hypermall	Investment method	6.50%	7.00%
<b>2023</b>			
(i) Menara AmBank	Investment method	6.00%	6.25%
(ii) Bangunan AmBank Group	Investment method	6.00%	6.50%
(iii) Wisma AmFIRST	Investment method	6.25%	6.75%
(iv) The Summit Subang USJ <sup>3</sup>	Investment method	6.00%	5.00% - 6.25%
(v) Prima 9	Investment method	6.00%	6.50%
(vi) Prima 10	Investment method	5.70%	6.00%
(vii) Jaya 99	Investment method	6.00%	6.50%
(viii) Mydin Hypermall	Investment method	6.50%	7.00%

## 6. INVESTMENT PROPERTIES (CONT'D.)

<sup>1</sup> Yield that the investment properties are expected to achieve and is derived from the current average rental rate, including revision upon renewal of tenancies during the term.

<sup>2</sup> Yield that the investment properties are expected to achieve upon expiry of current term rental.

<sup>3</sup> The valuation of The Summit Subang USJ is based on the Term yield and Reversion yield as below:

Description of property	Valuation technique	Term yield <sup>1</sup>	Reversion yield <sup>2</sup>
<b>2024</b>			
The Summit Subang Shopping Mall	Investment method	6.00%	6.25%
Menara Summit	Investment method	6.00%	6.25%
The Summit Hotel Subang USJ	Investment method	6.50%	N/A
The Summit Subang USJ Carpark	Investment method	N/A	5.50%
<b>2023</b>			
The Summit Subang Shopping Mall	Investment method	6.00%	6.25%
Menara Summit	Investment method	6.00%	6.25%
The Summit Hotel Subang USJ	Investment method	6.50%	N/A
The Summit Subang USJ Carpark	Investment method	N/A	5.50%

Any significant increases/(decreases) in estimated inputs in isolation would result in a significantly higher/(lower) fair value.

**Disposal of Menara AmFIRST:**

The Trust has entered into a sale and purchase agreement on 1 July 2022 to dispose Menara AmFIRST to Forever Backup Sdn Bhd at a selling price of RM62,000,000. The selling price is approximately 4% below the fair value of RM64,600,000 as appraised by Rahim & Co International Sdn Bhd, an independent firm of registered valuers, in its valuation report dated 28 March 2022.

The disposal price was arrived at, on a willing-buyer and willing-seller basis after various round of negotiations. The decision to accept the disposal price of RM62.0 million was after taking into consideration the age and limited scope for growth of the asset coupled with the opportunity to dispose the asset to repay existing borrowing for optimum gearing level.

The transaction was completed on 15 November 2022 with net loss on disposal of RM4,652,468 computed as below:

	RM
Selling price	62,000,000
Less: Incidental cost of disposal	(2,052,468)
Disposal proceed	59,947,532
Less: Total cost of investment	(65,237,504)
Fair value adjustment	637,504
Net book value	(64,600,000)
Net loss on disposal	(4,652,468)
Real property gain tax at 10%	-
Net loss after tax	(4,652,468)



NOTES TO THE FINANCIAL STATEMENTS

6. INVESTMENT PROPERTIES (CONT'D.)

The breakdown of investment properties is as follows:

Description of properties	Land title	Location	Existing use	Cost of investment 31.3.2024 RM	Carrying amount as at 31.3.2024 RM	% of valuation to net asset value as at 31.3.2024 %	Cost of investment 31.3.2023 RM	Carrying amount as at 31.3.2023 RM	% of valuation to net asset value as at 31.3.2023 %
(i) Menara AmBank	Freehold	Kuala Lumpur	Office	265,453,569	322,600,000	39.62	263,984,640	322,400,000	40.06
(ii) Bangunan AmBank Group	Leasehold <sup>@</sup>	Kuala Lumpur	Office	201,706,079	266,600,000	32.75	201,262,612	266,500,000	33.11
(iii) Wisma AmFIRST	Leasehold <sup>#</sup>	Kelana Jaya	Office	95,518,290	114,300,000	14.04	95,340,100	114,000,000	14.16
(iv) The Summit Subang USJ	Freehold	Subang Jaya	Commercial Office, Hotel and Retail Mall	381,888,268	375,000,000	46.06	379,919,934	359,600,000	44.68
(v) Prima 9	Freehold	Cyberjaya	Office	73,651,635	72,100,000	8.86	73,429,305	72,000,000	8.95
(vi) Prima 10	Freehold	Cyberjaya	Office	62,677,416	61,800,000	7.59	62,481,498	61,600,000	7.65
(vii) Jaya 99	Leasehold <sup>^</sup>	Malaka	Office	88,802,485	101,200,000	12.43	88,492,026	101,100,000	12.56
(viii) Mydin Hypermall <sup>*</sup>	Freehold	Penang	Hypermall	254,123,504	244,199,876	29.99	254,123,504	246,221,319	30.59
				1,423,821,246	1,557,799,876		1,419,033,619	1,543,421,319	

Legend:

@ The leasehold land will expire on 3 June 2084.

# The leasehold land will expire on 19 February 2094.

^ The leasehold land will expire on 7 October 2109.

\* Accrued lease receivable of RM32,800,124 (2023: RM29,778,681) have been excluded from the carrying amount of Mydin Hypermall.

7. RIGHT-OF-USE ASSETS

	2024 RM Retail space	2023 RM Retail space
<b>Cost</b>		
As at beginning of the financial year	1,553,574	865,064
Addition	480,287	688,510
As at end of the financial year	2,033,861	1,553,574
<b>Accumulated depreciation</b>		
As at beginning of the financial year	884,954	683,688
Depreciation charged for the financial year	291,865	201,266
As at end of the financial year	1,176,819	884,954
<b>Carrying amount</b>	857,042	668,620

The corresponding lease liabilities relating to the right-of-use assets is disclosed in Note 14.

8. RECEIVABLES

	2024 RM	2023 RM
<i>Non-current</i>		
Accrued lease receivable/(deferred lease income) (a)	32,800,124	29,778,681
Accrued lease receivable (b)	342,951	(623,062)
<b>Total</b>	33,143,075	29,155,619
<i>Current</i>		
Trade receivables (c)	3,834,041	8,840,238
Less: Allowance for ECL (d)	(191,040)	(310,835)
Trade receivables, net	3,643,001	8,529,403
(Deferred lease income)/accrued lease receivable (b)	(798,628)	791,516
Other receivables, deposits and prepayments	5,612,891	5,281,284
<b>Total</b>	8,457,264	14,602,203

(a) Accrued lease receivable consist of accrued incremental lease rental receivable from Mydin Mohamed Holdings Berhad ("Mydin")'s 30 years operating lease agreement commencing from 1 February 2016 and expiring 31 January 2046. Pursuant to the lease rental agreement dated 11 January 2016, the lease rental receivable from Mydin is increased by 10% every 5 years from the commencement date of 1 February 2016 up to the term of 30 years. This uncancellable operating lease rental income is recognised on straight-line basis over the lease term of 30 years.

## NOTES TO THE FINANCIAL STATEMENTS

## 8. RECEIVABLES (CONT'D.)

- (b) All leasing incentives for the new or renewed operating lease are recognised as a reduction of rental income over the lease term, on a straight-line basis. This represents the balance unamortised of the lease incentives arising from the fit-out costs and rent-free-period incentives given to lessee.
- (c) Included in trade receivables are rental outstanding from companies related to the Manager amounting to RM71,635 (2023: RM374,810) which are subject to normal trade terms.
- (d) The movement in allowance for ECL is as follow:

	2024 RM	2023 RM
As at beginning of the financial year	310,835	1,488,767
Reversal during the financial year (Note 21)	(119,795)	(1,177,932)
As at end of the financial year	191,040	310,835

The Trust's primary exposure to credit risk arises through its trade receivables. The Trust's trading terms with its tenants are mainly on credit. The credit period is generally for a period of 7 days as stipulated in the tenancy agreement. The Trust seeks to maintain strict control over its outstanding receivables and has a sound credit control processes in place to minimise credit risk. Overdue balances are reviewed regularly by the management. The Trust's trade receivables relate to a large number of diversified customers, and other than AmBank Group and Mydin Mohamed Holdings Berhad, there is no significant concentration of credit risk.

In view of the improvement in economy, the Trust is anticipating improvement in business performance of tenants in tandem with the opening of all economic sectors. The Trust will closely monitor tenant's payment obligation and assess the ECL accordingly should tenants demonstrate evident of financial distress in future. The ECL is computed based on historical lost rate and adjusted for forward-looking factors as disclosed in Note 2.4g.

## 9. DEPOSITS WITH FINANCIAL INSTITUTION

	2024 RM	2023 RM
Placements with a licensed bank with original maturity of less than three months	1,584,011	1,551,122

The deposits with licensed financial institution of RM1,085,411 (2023: RM1,551,122) has been assigned to a term loan facility and revolving credit facility of RM NIL million (2023: RM57.0 million) and RM85.0 million (2023: RM85.0 million) respectively, as disclosed in Note 13. The entire deposits have been placed with a financial institution related to the Manager of the Trust as disclosed in Note 28. The RM57.0 million term loan has been redeemed on 15 November 2022 with the disposal proceed from Menara AmFIRST.

Details of the interest rate and maturity of the deposits are disclosed in Note 30(ii).

## 10. DERIVATIVES

	2024 RM	2023 RM
Interest rate swap ("IRS") contracts:		
- Non-current	97,582	417,710
- Current	35,450	184,996
	133,032	602,706

On 19 July 2022, The Trust has entered into a new 5-year IRS contract with AmBank (M) Berhad with a notional amount of RM50,000,000 to hedge the Trust's floating interest rate for fixed rate. In this contract, The Trust pays fixed rate of 3.62% per annum on the notional amount in exchange of the 3-month KLIBOR.

On 7 February 2023, The Trust has entered into a new 5-year IRS contract with AmBank (M) Berhad with a notional amount of RM100,000,000 to hedge the Trust's floating interest rate for fixed rate. In this contract, The Trust pays fixed rate of 3.57% per annum on the notional amount in exchange of the 3-month KLIBOR.

## 11. RENTAL DEPOSITS

	2024 RM	2023 RM
<i>Non-current liabilities</i>		
Payable after 12 months	12,280,160	15,237,881
<i>Current liabilities</i>		
Payable within 12 months	11,635,331	8,283,331
	23,915,491	23,521,212

Included in the above are rental deposits received from companies related to the Manager amounting to:

	2024 RM	2023 RM
<i>Non-current liabilities</i>		
Payable after 12 months	4,619,631	10,266,796
<i>Current liabilities</i>		
Payable within 12 months	6,506,470	940,783
	11,126,101	11,207,579

Other balances with companies related to the Manager are as disclosed in Note 28.

## NOTES TO THE FINANCIAL STATEMENTS

## 12. DEFERRED TAX LIABILITIES

	2024 RM	2023 RM
As at beginning of the financial year	1,260,797	1,236,011
Recognised in profit or loss (Note 22)	(1,260,797)	24,786
As at end of the financial year	-	1,260,797

The deferred tax liabilities relate to fair value gain of freehold land component within the investment properties which is expected to be recovered through sale.

Where investment properties are carried at fair value as disclosed in Note 6, the amount of deferred tax recognised is measured using the tax rates that would apply on the sale of those assets at their carrying amounts at the reporting date unless the property is held with the objective to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

The tax rate used was based on the Finance Act 2019, where it was clarified that the RPGT rate of 10% is prescribed for disposal of investment properties held for more than 5 years for a trustee of a trust.

## 13. BORROWINGS

	2024 RM	2023 RM
<i>Current liabilities:</i>		
Term loan	-	250,850,000
Revolving credit	256,900,000	253,600,000
Loan transaction costs subject to amortisation	(127,297)	(208,706)
	256,772,703	504,241,294
<i>Non-Current liabilities:</i>		
Term loan	250,850,000	-
Syndicated term loan	250,000,000	250,000,000
Loan transaction costs subject to amortisation	(310,269)	(114,663)
	500,539,731	249,885,337
Total borrowings	757,312,434	754,126,631

Term Loan Facilities

- (i) RM57.0 million (secured by way of a lien holder caveat over Menara AmFIRST) have been redeemed on 15 November 2022 from the proceed of disposal of Menara AmFIRST.
- (ii) RM85.85 million (2023: RM85.85 million) is secured by first party legal charge over Jaya 99. The tenure of the facility has been extended for 7 years from 31 July 2023 to 31 July 2030.
- (iii) RM165.0 million (2023: RM165.0 million) is secured by first party legal charge over Menara AmBank. The tenure of the facility has been extended for 5 years from 23 October 2023 to 23 October 2028.

## 13. BORROWINGS (CONT'D.)

Syndicated Term Loan

- (i) RM250.0 million (2023: RM250.0 million) is secured by first party legal charge over Mydin and Prima 10.

Revolving Credit

- (i) The RM4.0 million (secured by way of a lien holder caveat over Menara AmFIRST) have been redeemed on 14 October 2022.
- (ii) RM85.0 million (2023: RM85.0 million) is secured by way of a lien holder caveat over Wisma AmFIRST and RM56.9 million (2023: RM53.6 million) of the RM85.0 million have been utilised throughout the year.
- (iii) RM140.0 million (2023: RM140.0 million) is secured by way of a lien holder caveat over The Summit Subang USJ.
- (iv) RM60.0 million (2023: RM60.0 million) is secured by way of second party legal charge over Menara AmBank.

Bank Overdraft

The Trust has an overdraft facility with drawdown limit of RM34 million (2023: RM34 million), repayable on demand. The Trust overdraft balance as of 31 March 2024 is NIL (2023: NIL).

Details of the interest rate and maturity of the borrowings are disclosed in Note 30(ii).

Borrowings with companies related to the Manager of the Trust are disclosed in Note 28.

## 14. LEASE LIABILITIES

	2024 RM Retail space	2023 RM Retail space
As at beginning of the financial year	676,387	188,677
Addition	480,288	688,510
Finance cost - interest charged during the year	39,194	11,407
Payment of lease liabilities	(309,679)	(212,207)
As at end of the financial year	886,190	676,387
Lease liability maturity table:		
Within 1 year	281,938	91,233
More than 1 year	604,252	585,154
As at end of the financial year	886,190	676,387

There were no variable lease payments, leases with residual value guarantees, leases not yet commenced, restrictions or covenants imposed to which the Trust is committed.



## NOTES TO THE FINANCIAL STATEMENTS

## 14. LEASE LIABILITIES (CONT'D.)

Lease liabilities analysed by undiscounted contractual payments are as follows:

	2024 RM Retail space	2023 RM Retail space
Within 1 year	259,979	126,447
More than 1 year	695,709	724,377
As at end of the financial year	955,688	850,824

## 15. PAYABLES

	2024 RM	2023 RM
Trade payables	1,020,159	1,079,271
Loan interest and commitment fee payable	1,102,576	925,453
Accrued Manager's fee	545,712	564,248
Accrued Trustee's fee	27,138	26,890
Accrued property managers' fees and salaries	399,548	862,160
Accrued property expenses	3,188,536	3,325,131
Other payables and accruals	874,416	415,182
	7,158,085	7,198,335

## 16. UNITHOLDERS' FUNDS

## Number of units in circulation:

	2024 Unit	2023 Unit
At 1 April/31 March	686,401,600	686,401,600

## Issued and fully paid:

	2024 Unit	2023 Unit
At 1 April/31 March	636,624,829	636,624,829

## 16. UNITHOLDERS' FUNDS (CONT'D.)

As at 31 March 2024, the Manager and all of the directors of the Manager do not have any unitholding in the Trust. However, the parties related to the Manager held units in the Trust as follows:

	2024		2023	
	Number of units	Market value RM	Number of units	Market value RM
<b>Unitholders of parties related to the Manager</b>				
AmBank (M) Berhad	183,489,138	58,716,524	183,489,138	60,551,416
Yayasan Azman Hashim	77,947,353	24,943,153	77,947,353	25,722,626
AmMetLife Insurance Berhad on behalf of Life Fund	-	-	8,412,300	2,776,059
Azman bin Hashim	849,076	271,704	849,076	280,195
AmGroup Foundation	2,560	819	2,560	845

The market value is determined by multiplying the number of units with the market closing price of RM0.32 per unit as at 31 March 2024 (31 March 2023: RM0.33 per unit) as published in Bursa Malaysia.

## 17. REVENUE

	2024 RM	2023 RM
Rental income		
- Realised	91,804,453	94,147,909
- Unrealised (in relation to accrued lease receivable) (Note 24)	3,021,443	3,021,443
- Rental rebate given in relation to MCO	-	(761)
Car park income	6,241,778	6,042,612
Other income	361,451	217,698
	101,429,125	103,428,901

The realised revenue comprises rental and service charges, car park income from properties and other miscellaneous recoverable from tenants. The unrealised revenue refers to the accrued lease receivable pursuant to requirements of MFRS 16 Leases, recognised on straight-line basis.

## NOTES TO THE FINANCIAL STATEMENTS

## 18. PROPERTY EXPENSES

Included in property expenses are the following:

	2024 RM	2023 RM
Property management fees and reimbursements*	4,102,152	4,409,787
Rates and assessment	5,756,379	5,554,954
Quit rent	469,971	477,923

\* Property management fees were charged by property managers in accordance with the Valuers, Appraisers and Estate Agent Act 1981 with permissible discount.

## 19. MANAGER'S FEE

Pursuant to the Deed, the Manager is entitled to receive:

- (i) a base fee of up to 0.50% per annum of the total asset value of the Trust (excluding any taxes payable);
- (ii) a performance fee of up to 3.00% per annum of the net property income (excluding any taxes payable), accruing monthly, but before deduction of property management fees;
- (iii) an acquisition fee of 1.00% of the acquisition price of any asset of the Trust; and
- (iv) a divestment fee of 0.50% of the sale price of any Asset of the Trust.

The Manager's fee for the current financial year is RM6,520,870 (2023: RM6,688,449) which consists of a base fee of 0.30% (2023: 0.30%) per annum and performance fee of 3.0% (2023: 3.0%) per annum.

## 20. TRUSTEE'S FEE

Pursuant to the Deed, the Trustee is entitled to receive a fee up to 0.10% per annum of the net asset value. The Trustee's fee for the current financial year is RM320,189 (2023: RM321,390) is calculated based on 0.04% (2023: 0.04%) per annum on the net asset value.

## 21. OTHER EXPENSES

Included in other expenses are:

	2024 RM	2023 RM
<b>Reversal of ECL on (Note 8(d)):</b>		
- Trade receivables	(119,795)	(1,177,932)
	(119,795)	(1,177,932)
Professional fees	329,253	371,666
Printing and stationery	248,525	162,120
AGM expenses	54,000	61,253
Share registrar fees	95,620	94,404
Other trust expenses	167,297	445,411
	894,695	1,134,854
Total other expenses	774,900	(43,078)

## 22. TAXATION

	2024 RM	2023 RM
Deferred tax relating to the origination and reversal of temporary differences (Note 12)	(1,260,797)	24,786

Pursuant to the amendment of Section 61A of the Income Tax Act, 1967 under the Finance Act 2006 which was gazetted on 31 December 2006, where 90% or more of the total income of the Trust is distributed to its Unitholders in the basis period for a year of assessment, the total income of the Trust for that year of assessment shall be exempted from tax.

Domestic current income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the financial year.

As the Trust has paid and declared income distribution of more than 90% of its total income to Unitholders, the total income of the Trust for the year of assessment 2024 shall be exempted from tax.

A reconciliation of taxation applicable to profit before taxation at the statutory income tax rate to taxation at the effective tax rate of the Trust is as follows:

	2024 RM	2023 RM
Profit before taxation	24,359,964	14,223,162
Taxation at statutory tax rate of 24% (2023: 24%)	5,846,391	3,413,559
Effects of non-deductible expenses	481,322	669,809
Effect of fair value adjustment on investment properties not subject to tax	(2,301,823)	624,852
Effects of net income exempted from tax	(4,025,890)	(4,708,220)
Deferred tax from origination of temporary difference (Note 12)	(1,260,797)	24,786
	(1,260,797)	24,786

## 23. EARNINGS PER UNIT

Earnings per unit (realised) after manager's fee is computed based on net realised income for the financial year divided by the weighted average number of units in circulation during the year.

	2024	2023
Net realised income from operations (RM) (Note 24)	12,402,627	17,526,514
Net realised loss on disposal of investment properties (RM)	-	(4,652,468)
Net realised income for the financial year (RM)	12,402,627	12,874,046
Number of units in circulation during the financial year (units)	686,401,600	686,401,600
Basic earnings per unit after manager's fee (sen)	1.81	1.88

## NOTES TO THE FINANCIAL STATEMENTS

## 23. EARNINGS PER UNIT (CONT'D.)

Earnings per unit before manager's fee is computed based on net realised income for the financial year after adding back manager's fee, divided by the weighted average number of units in circulation during the financial year.

	2024	2023
Net income for the financial year (RM)	12,402,627	12,874,046
Add back:		
Manager's fee (RM) (Note 19)	6,520,870	6,688,449
Net adjusted income for the financial year before manager's fee (RM)	18,923,497	19,562,495
Number of units in circulation during the financial year (units)	686,401,600	686,401,600
Basic earnings per unit before manager's fee (sen)	2.76	2.85

## 24. INCOME DISTRIBUTION

In respect of the current financial year ended 31 March 2024, the Manager had paid an interim income distribution of 0.82 sen per unit for the six-month financial period from 1 April 2023 to 30 September 2023 of RM5,628,495 and has proposed a final income distribution of 1.18 sen per unit for the six-month financial period from 1 October 2023 to 31 March 2024 of RM8,099,539 payable on 31 May 2024. The proposed final income distribution will be recognised in financial year 2025 upon approval from the Board of Directors. The total distribution of RM13,728,034 in respect of the financial year ended 31 March 2024 is in line with the objectives of AmFIRST REIT to deliver regular and stable distributions to Unitholders.

In prior year ended 31 March 2023, the Manager had paid an interim income distribution of 1.14 sen per unit for the six-month financial period from 1 April 2022 to 30 September 2022 of RM7,824,980 and a final income distribution of 1.56 sen per unit were proposed and approved for payment for the six-month financial period from 1 October 2022 to 31 March 2023 amounting to RM10,707,863 to its Unitholders.

The total income distribution of 2.00 sen (2023: 2.70 sen) per unit is from the following sources:

	2024 RM	2023 RM
Revenue (Note 17)	101,429,125	103,428,901
Less: Unrealised gross revenue derived from accrued lease receivable recognised on straight-line method (Note 17)	(3,021,443)	(3,021,443)
Interest income	41,517	76,071
Other income	68,439	37,640
	98,517,638	100,521,169
Less: Expenses	(86,115,011)	(82,994,654)
	12,402,627	17,526,515
Add: Undistributed income at beginning of the financial year	7,771,526	8,777,856
Total income available for distribution	20,174,153	26,304,371
Less: Undistributed income at end of the financial year	(6,446,119)	(7,771,526)
	13,728,034	18,532,845
Distribution per unit (sen)	2.00	2.70

## 24. INCOME DISTRIBUTION (CONT'D.)

The total income paid during the financial year ended 31 March 2024 and 31 March 2023 were as follow:

	2024 RM	2023 RM
FY2024 Interim income distribution : 0.82 sen per unit (2023: 1.14 sen per unit)	5,628,495	7,824,980
FY2023 Final income distribution : 1.56 sen per unit (2022: 1.93 sen per unit)	10,707,863	13,247,550
	16,336,358	21,072,530

## 25. PORTFOLIO TURNOVER RATIO

	2024	2023
Portfolio Turnover Ratio ("PTR") (Times)	-	0.08

The calculation of PTR is based on the average of the total acquisitions and total disposals of investments in the Trust for the financial year calculated to the average net asset value during the financial year.

The Trust had disposed Menara AmFIRST with carrying value of RM64.6 million as disclosed in Note 6 of the financial statement in 2023. There was no acquisition or disposal of investment property in the current financial year.

## 26. MANAGEMENT EXPENSE RATIO

	2024	2023
Management Expense Ratio ("MER") (%)	0.97	0.90

The calculation of MER is based on total fees of the Trust incurred, including the Manager's fee, Trustee's fee, auditors' remuneration, tax agent's fee and administrative expenses, to the average net asset value during the financial year. Comparison of MER of the Trust with other real estate investment trusts which use different basis of calculation may not be an accurate comparison.

## 27. COMMITMENTS

(a) Capital expenditure as at reporting date is as follows:

	2024 RM	2023 RM
Approved but not contracted for: Investment properties	690,000	2,137,212
Approved and contracted for: Investment properties	1,053,711	-



## NOTES TO THE FINANCIAL STATEMENTS

## 27. COMMITMENTS (CONT'D.)

## (b) Operating lease commitments - as lessors

AmFIRST REIT leases out its investment properties (Note 6) under operating leases. The future minimum lease receivable under non-cancellable leases are as follows:

	2024 RM	2023 RM
Not later than one year	90,933,052	93,395,339
Later than one year and not later than five years	120,365,085	162,764,384
Later than five years	359,318,068	379,618,730
	570,616,205	635,778,453

## 28. TRANSACTIONS AND BALANCES WITH THE COMPANIES RELATED TO THE MANAGER

Other than as disclosed in the respective notes, the other balances and transactions arising from transactions with companies related to the Manager as at end of the financial year include:

Transactions with companies related to the Manager:

	2024 RM	2023 RM
Rental earned from AmBank Group	38,738,981	39,647,249
Interest earned from AmBank (M) Berhad	41,517	76,071
Finance cost paid to AmBank (M) Berhad	20,055,947	13,263,314
Loan facilities fees	77,854	47,260
Insurance premium paid to AmGeneral Insurance Berhad	622,814	604,527

Balances with companies related to the Manager:

	2024 RM	2023 RM
<b>AmBank Group</b>		
Bank balances and deposits placed with AmBank (M) Berhad	2,814,208	2,799,760
Rental receivable from AmBank Group (Note 8(c))	71,635	374,810
Bank borrowings from AmBank (M) Berhad (Note 13)	296,900,000	293,600,000
Rental deposits received from the AmBank Group (Note 11)	11,126,101	11,207,579

The above transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

## 29. FINANCIAL INSTRUMENTS

## (a) The following are classes of financial instruments that have carrying amounts which are reasonable approximations of their fair value.

	Note
<b>Financial assets at amortised cost</b>	
Receivables	(i)
Deposits with financial institution	(i)
Cash and bank balances	(i)
<b>Financial assets at FVTPL</b>	
Derivatives	(ii)
<b>Financial liabilities at amortised cost</b>	
Payables	(i)
Rental deposits	(iii)
Borrowings	(iii)

The following methods and assumptions were used to estimate the fair values of financial assets and liabilities as at the reporting date:

## (i) Cash and bank balances, deposits with financial institution, receivables and payables

The carrying amounts of these financial assets and financial liabilities approximate their fair value due to the short-term maturity of these instruments.

## (ii) Derivative assets

Fair value is estimated by discounting expected future cash flows of the IRS to the present value using prevailing market interest rate.

## (iii) Rental deposits and borrowings

Fair value is estimated by discounting expected future cash flows at the market incremental lending rate for similar types of borrowings and payables at the reporting date.

## 30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

AmFIRST REIT operates within clearly defined guidelines as set out in the SC's Listed REITs Guidelines. The SC's Listed REITs Guidelines have been formulated with the objective of providing a regulatory framework that would protect the interests of the investing public. AmFIRST REIT's risk management policies, which ensure compliance with the spirit of the SC's Listed REITs Guidelines, are set out below. It is not the Trust's policy to engage in speculative transactions.

AmFIRST REIT is exposed to financial risks arising from operations and the use of financial instruments. The key financial risks include interest rate, credit and liquidity risks.

## (i) Interest rate risk

AmFIRST REIT's exposure to changes in interest rates relate primarily to interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Manager on an ongoing basis with the primary objective of limiting the extent to which interest expense could be affected by adverse movements in interest rate.

## NOTES TO THE FINANCIAL STATEMENTS

## 30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

## (i) Interest rate risk (Cont'd.)

The interest rate profile of AmFIRST REIT's significant interest-bearing financial instruments, based on carrying amounts as at the end of reporting period is as follows:

	2024 RM	2023 RM
<b>Financial assets:</b>		
<i>Fixed rate instrument</i>		
Deposits with financial institution	1,584,011	1,551,122
<i>Floating rate instrument</i>		
Interest rate swap contracts	133,032	602,706
<b>Financial liabilities:</b>		
<i>Floating rate instrument</i>		
Term loan	250,527,097	250,703,931
Syndicated term loan	249,885,337	249,822,700
Revolving credit	256,900,000	253,600,000
	757,312,434	754,126,631

## Interest rate risk sensitivity analysis:

If the interest rates have been higher or lower and all other variables were held constant, the Trust's income for the following year would increase or decrease accordingly as a result from the Trust's exposure to interest rates on its rate borrowing which is not hedged. The Trust has performed the following interest rate sensitivity analysis to show the Trust's sensitivity to interest rates exposure:

	Profit or loss	
	25 basis point Increase RM	25 basis point Decrease RM
<b>2024</b>		
Floating rate instruments	(1,894,375)	1,894,375
Interest rate swap contracts	375,000	(375,000)
	(1,519,375)	1,519,375
<b>2023</b>		
Floating rate instruments	(1,761,125)	1,761,125
Interest rate swap contracts	250,000	(250,000)
	(1,511,125)	1,511,125

## 30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

## (ii) Effective interest rates and maturity

In respect of interest-earning financial assets and interest-bearing liabilities, the following table indicates their weighted average effective interest rates at the reporting date and the periods in which they mature.

	Weighted average effective interest rate %	Total RM	Maturity date Within 1 year RM	> 1 - 5 years RM
<b>2024</b>				
<b>Financial assets</b>				
Deposits with financial institution	2.26	1,584,011	1,584,011	-
Derivatives	0.13	133,032	35,450	97,582
<b>Financial liabilities</b>				
Term loans	4.37	250,527,097	(64,831)	250,591,928
Syndicated term loan	4.46	249,885,337	(62,466)	249,947,803
Revolving credit facilities	4.30	256,900,000	256,900,000	-
<b>2023</b>				
<b>Financial assets</b>				
Deposits with financial institution	2.26	1,551,122	1,551,122	-
Derivative	(0.03)	602,706	184,996	417,710
<b>Financial liabilities</b>				
Term loans	4.14	250,703,931	250,703,931	-
Syndicated term loan	4.43	249,822,700	(62,637)	249,885,337
Revolving credit facilities	4.12	253,600,000	253,600,000	-

## (iii) Credit risk

Credit risk is the risk of loss that may arise on the outstanding financial assets should a counterparty default on its obligation.

As at the reporting date, other than the rental income earned from the AmBank Group and Mydin Mohamed Holdings Berhad which formed 58.8% (2023: 58.5%) of the total receivable, the Trust does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets.

## NOTES TO THE FINANCIAL STATEMENTS

## 30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

## (iii) Credit risk (Cont'd.)

The Trust's credit risk profile of its trade receivables as at the reporting date is tabled as follows:

	Gross RM	Allowance for ECL RM	Net RM
<b>2024</b>			
<b>Non-current</b>			
Accrued unbilled rental income	32,800,124	-	32,800,124
<b>Current</b>			
Trade receivable			
- Current	443,396	(8,083)	435,313
- Past due 30 - 60 days	498,939	(9,946)	488,993
- Past due 61 - 90 days	136,371	(3,030)	133,341
- Past due more than 90 days	2,755,335	(169,981)	2,585,354
	3,834,041	(191,040)	3,643,001
<b>2023</b>			
<b>Non-current</b>			
Accrued unbilled rental income	29,778,681	-	29,778,681
<b>Current</b>			
Trade receivable			
- Current	439,171	(11,406)	427,765
- Past due 30 - 60 days	711,986	(21,404)	690,582
- Past due 61 - 90 days	314,999	(11,678)	303,321
- Past due more than 90 days	7,374,082	(266,347)	7,107,735
	8,840,238	(310,835)	8,529,403

All of the Trust's other receivables are neither past due nor impaired.

## (iv) Liquidity risk

Liquidity risk is the risk that the Trust will encounter difficulty in meeting its financial obligations as they fall due.

The Trust manages its liquidity risk by maintaining a portion of its resources in deposits and balances with financial institutions to meet estimated commitments arising from financial liabilities.

## 30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

## (iv) Liquidity risk (Cont'd.)

The table below summarises the maturity profile of the Trust's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Within one year RM	1 - 5 years RM	Total RM
<b>2024</b>			
Rental deposits	11,968,719	13,313,595	25,282,314
Payables	36,363,411	79,067,037	115,430,448
Borrowings	256,900,000	500,850,000	757,750,000
Lease liabilities	259,979	695,709	955,688
Total financial liabilities	305,492,109	593,926,341	899,418,450
<b>2023</b>			
Rental deposits	8,428,060	16,645,335	25,073,395
Payables	33,373,121	20,086,712	53,459,833
Borrowings	504,450,000	250,000,000	754,450,000
Lease liabilities	126,447	724,377	850,824
Total financial liabilities	546,377,628	287,456,424	833,834,052

## 31. CAPITAL MANAGEMENT

The Trust's objective when managing capital are to safeguard the Trust's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise Unitholders' value.

The Manager monitors capital using the gearing ratio of the Trust. Under the Securities Commission Malaysia's Listed REITs Guidelines, the Trust is required to maintain a gearing ratio not exceeding 50%.

The gearing is calculated as gross borrowings divided by total assets value of the Trust. Gross borrowings refer to the gross interest-bearing borrowings as set out in Note 13.

	2024 RM	2023 RM
Total borrowings (Note 13)	757,312,434	754,126,631
Total assets	1,603,431,007	1,591,657,766
Gearing ratio (%)	47.2%	47.4%

Borrowings which are payable after twelve-month (non-current liabilities) from the reporting date represents 66% (2023: 33%) of total borrowings.



## NOTES TO THE FINANCIAL STATEMENTS

## 32. MATERIAL LITIGATION

**(i) Legal Proceedings Instituted by Swan Property Sdn Bhd & 14 Others VS. The Summit Subang USJ Management Corporation and Maybank Trustees Berhad (as Trustee for AmFIRST Real Estate Investment Trust) by way of Kuala Lumpur High Court Suit No. WA-22NCC-82-02/2018 ("Kuala Lumpur Suit")**

On 28 February 2018, Swan Property Sdn Bhd and 14 others (the "Plaintiffs") instituted legal proceedings against The Summit Subang USJ Management Corporation (the "MC") (as the 1st Defendant) and the trustee of AmFIRST REIT, Maybank Trustees Berhad, ("AmFIRST REIT Trustees" or "MTB") (as the 2nd Defendant) in the Kuala Lumpur High Court vide Suit No. WA-22NCC-82-02/2018 ("Civil Suit"). The Plaintiffs claimed that the MC has breached certain statutory and fiduciary duties; and the MC and AmFIRST REIT's Trustee have conspired to injure them in relation to a refurbishment and renovation exercise of the retail podium/shopping mall of The Summit Subang USJ.

By way of two (2) applications dated 10 April 2018 and 17 April 2018, the MC and MTB applied to the High Court to strike out the Plaintiffs' claim ("Striking Out Applications").

After hearing the parties on the Striking Out Applications, on 12 December 2018 the High Court decided as follows:

- (a) The Plaintiffs' claims (except the 5th Plaintiff) against AmFIRST REIT Trustees are stayed pending the disposal of related claims pending in the Strata Management Tribunal between the Plaintiffs and the MC ("SMT Proceedings");
- (b) The 5th Plaintiff's claim against AmFIRST REIT Trustees is struck out; and
- (c) The Plaintiffs' claims against the MC were struck out.

The Plaintiffs filed three appeals to the Court of Appeal against the decision of the Striking Out Applications ("Appeals to the CA"). All three Appeals to the CA were heard on 26 October 2021 and dismissed with costs on 9 December 2021 ("Court of Appeal's Decisions"). As a result, the High Court's decision at (a), (b) and (c) above were maintained.

On 7 January 2022, only the 2nd Plaintiff, namely one Looi Seow Leng ("Looi") pursued the matter further and filed applications in the Federal Court for leave to appeal against the decision of the Court of Appeal in respect of (a) and (c) above ("Looi's FC Leave Applications").

Leave Applications were fixed for case management before the Federal Court on 25 February 2022.

Looi's Federal Court Appeals were heard on 10 April 2023. After hearing the parties, the Federal Court allowed Looi's Federal Court Appeals and set aside the Court of Appeal's Decisions in respect of (a) and (c). The Federal Court also remitted the matter back to the High Court for trial as it did not deem it proper that the questions of law posed by Looi be answered by way of an Order 18 Rule 19, Rules of Court 2012 striking out application.

The Federal Court in arriving at its decision noted that on 23 September 2022, the Strata Management Tribunal had struck out the MC's claims filed on 20 December 2017. In view thereof, the Federal Court ordered the case be remitted to the High Court for the full trial of the action, thereby, allowed Looi's Federal Court Appeals.

Following the outcome of Looi's Federal Court Appeals, Looi's case at the High Court was first called up for case management before the High Court on 2 May 2023.

On 11 January 2024, at the case management, parties entered into a consent judgement and Looi discontinued the suit filed on 27 February 2018 with liberty to file afresh and the Defendants were also given liberty to file fresh defenses.

On 08 February 2024, Looi's Solicitors served on the Trust the sealed consent order.

## 32. MATERIAL LITIGATION (CONT'D.)

**(ii) Shah Alam High Court Originating Summons ("OS") between Ho Phoy Kwang & Ho Phoy Chuin ("Plaintiffs") and The Summit Subang USJ Management Corporation ("Defendant")**

On 30 April 2021, the Plaintiffs filed the aforesaid OS against the Defendant seeking inter alia the following reliefs:

- (a) A declaration that any proposed resolution determining different rates of maintenance charges for different parcels in the commercial building known as The Summit Subang USJ ("The Summit") passed at any Annual General Meetings or Extraordinary General Meeting convened before the judgment of the Court, is ultra vires the Strata Titles Act 1985 ("STA") and Strata Management Act 2013 ("SMA"), unlawful, null and void ab initio.
- (b) A declaration that a single maintenance charge rate per share unit per month be imposed in proportion to the allocated share units for each parcel in The Summit for each respective management periods from 1 January 2013 to 31 August 2018, 1 September 2018 to 31 August 2019, 1 September 2019 to 30 September 2020, 1 October 2020 to 31 October 2020 and between 1 November 2020 until the date before the next management period commences; and
- (c) An order under Section 76 of the SMA that an administrator for Defendant be appointed for a fixed period of time.

On 12 July 2021, the Defendant filed an application to convert the OS into a Writ action ("Conversion of OS to Writ").

On 7 September 2021, Maybank Trustees Berhad as Trustee of AmFIRST REIT ("MTB") filed an application to intervene in the OS and be added as the 2nd Defendant.

On 17 September 2021, a group of owners in the Summit known as Swan Properties Sdn Bhd & 13 others ("Swan Property Group") filed an application to intervene in the OS and be added as Plaintiffs.

On 8 December 2021, the Shah Alam High Court allowed MTB's application to intervene and be added as the 2nd Defendant in the OS and allowed the Swan Property Group to be added as Defendants.

On 21 December 2021, MTB filed an application to add itself as a party to the MC's application to convert the OS into a Writ action (conversion application).

On 26 April 2022, the High Court dismissed the MC's conversion application. However, the Court gave the MC liberty to cross examine the deponents of the affidavits.

On 9 May 2022, the MC filed a Notice of Appeal to the Court of Appeal against the dismissal of the conversion application.

On 18 May 2022, the MC filed a Notice of Application for Stay of Proceedings of the OS pending the full and final disposal of its appeal to the Court of Appeal. On 17 August 2022 the Court dismissed the MC's stay application.

On 20 May 2023, the MC and MTB filed a Notice of Application for Intention to Cross-Examine Deponents of the Affidavits.

The 1st Plaintiff was cross examined on the averments in her Affidavits with regards to prayers of the OS and upon completion of the cross-examination, the Court gave the following directions :

- (i) Both parties are to file their main submissions by 28 July 2023;
- (ii) Both parties are to file their respective submissions in reply by 18 August 2023;
- (iii) The decision on prayers of the OS is on 23 August 2023 .

NOTES TO THE FINANCIAL STATEMENTS

32. MATERIAL LITIGATION (CONT'D.)

(ii) **Shah Alam High Court Originating Summons (“OS”) between Ho Phoy Kwang & Ho Phoy Chuin (“Plaintiffs”) and The Summit Subang USJ Management Corporation (“Defendant”) (Cont’d.)**

On 23 August 2023 prior to the learned High Court Judge delivering his decision, two recent Court of Appeal cases namely “SCP Assets” and “Pearl Suria” were brought to the attention of the Learned High Court Judge. The High Court judge then proceeded to postpone the decision to 25 October 2023 pending written grounds of the Court of Appeal in the above two cases and the conversion appeal fixed for 18 September 2023.

On 18 September 2023, Court of Appeal decided as follows:

- (a) The appeal was dismissed;
- (b) But parties are given liberty to cross examine all deponents of affidavits and on its full contents; and
- (c) Court of Appeal fixed a case management date before the High Court of Shah Alam.

On 26 September 2023, during case management before Shah Alam High Court, following our update on the Court of Appeal’s decision, the Judge instructed parties to vary the Court of Appeal order dated 18 September 2023.

On 29 September 2023, during case management the learned High Court Judge once again instructed parties to vary the order of 18 September 2023.

On 12 October 2023, the MC filed the Application to the Court of Appeal to vary the order of 18 September 2023.

The hearing to vary the order of 18 September 2023 is fixed before The Court of Appeal on 30 November 2023 and the case management before the High Court of Shah Alam is fixed on 14 December 2023 to update on the outcome of the Court of appeal hearing.

On 30 November 2023 the Court of Appeal allowed the variation application and fixed a case management before the High Court on 14 December 2023. The court then fixed trial dates on 1st February 2024 and 19 February 2024.

At the trial on 1st February 2024 and 19th February 2024, the 1st Plaintiff and the 7th Defendant were respectively cross-examined.

The Court ordered for the main submissions to be filed on 30 April 2024, the submissions in reply on 17 May 2024 and fixed for oral submissions on 30 May 2024.

Further to the updates as per Note 32 (i) above, Looi Seow Leng (“Looi”), the 2nd Plaintiff in Suit 82 entered into a consent order with The Summit Subang USJ Management Corporation (MC), the 1st Defendant and Maybank Trustees Berhad (MTB), the 2nd Defendant respectively and discontinued the Civil Suit against the MC and MTB with liberty to file afresh. The MC and MTB were also given liberty to file fresh defences vide the consent order. The 1st, 3rd to 15th Plaintiffs in Suit 82 did not pursue their claims against the MC and MTB.

32. MATERIAL LITIGATION (CONT'D.)

(ii) **Shah Alam High Court Originating Summons (“OS”) between Ho Phoy Kwang & Ho Phoy Chuin (“Plaintiffs”) and The Summit Subang USJ Management Corporation (“Defendant”) (Cont’d.)**

Subsequently on 31 March 2024, Looi filed afresh the Statement of Claim and Writ of Summon vide Civil Suit WA-22NCVC-217-03/2024 (Suit 217) against the MC and MTB and amongst other pleadings pleaded that the MC and MTB conspired to injure her by breaching the Strata Titles Act, 1985 and the Strata Management Act, 2013 (SMA) and seeks inter alia the following reliefs:

- (a) A declaration that the refurbishment of the Summit carried out by the MC under the resolutions passed at the 15 December 2012 and 15 March 2014 Annual General Meetings (AGM) are ultra vires the Strata Titles Act, 1985.
- (b) A declaration that Looi is not liable to pay the refurbishment costs, late payment interest and legal costs in the sum of RM 270,421.37 as at 22 September 2023 to the MC.
- (c) A declaration that the MC has breached its fiduciary duties to the proprietors.
- (d) A declaration that MTB is liable to contribute to the maintenance and sinking fund charges (charges) from the date MTB was registered as a proprietor of the basement car park, hotel block and their parcels at the office block.
- (e) An Order that the MC demands and claims all outstanding charges from MTB, costs, general and exemplary damages, interest and the resolutions passed at the 5th, 6th, 7th and 8th AGMs and 4 August 2018 EGM be declared null and void.
- (f) A declaration that the MC recalculates the charges in proportion with the share units assigned to each parcel past and future periods, charges the same recalculated rates on MTB and to collect the said recalculated charges from MTB within 14 days from the date of the Order of Court.
- (g) An order that the MC distributes and credits the alleged over charged sum back to the proprietors and costs.

The Court has fixed for the case management to be held on 30 April 2024.

We have consulted our solicitors who hold the view that there is a credible defence for MTB. We have accordingly instructed our solicitors to defend the interests of MTB against Looi’s claims.

33. OPERATING SEGMENT

The key objective of the Trust is to own and invest in real estate, whether directly or indirectly, through the ownership of single-purpose companies whose principal assets comprise real estate and real estate-related assets. The investment properties owned by the Trust are similar in terms of economic characteristic and nature of services. Therefore, the Manager of the Trust are of the view that there is only one operating segment, namely leasing of investment properties.

The statement of financial position and statement of comprehensive income as presented in this financial statement form the operating segment information for the business of leasing of investment properties. Hence, no other operating segment information has been prepared.

There is no geographical segment information as all the investment properties of the Trust are located in Malaysia.

STATEMENT BY THE DIRECTORS OF THE MANAGER

We, Soo Kim Wai and Azlan Baqee Bin Abdullah being two of the Directors of the Manager, do hereby state that, in the opinion of the Directors of the Manager, the financial statements of AmFIRST Real Estate Investment Trust (the "Trust") as set out on pages 150 to 195 are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Trust as at 31 March 2024 and of the results and the cash flows of the Trust for the financial year then ended.

Signed on behalf of the Board of the Manager in accordance with a resolution of the Directors of the Manager.

SOO KIM WAI

Kuala Lumpur, Malaysia  
20 May 2024

AZLAN BAQEE BIN ABDULLAH

STATUTORY DECLARATION

I, Chong Hong Chuon, being the officer primarily responsible for the financial management of AmFIRST Real Estate Investment Trust, do solemnly and sincerely declare that the financial statements set out on pages 150 to 195 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

CHONG HONG CHUON  
(MIA 18174)  
Chief Executive Officer

SUBSCRIBED AND SOLEMNLY DECLARED by the abovenamed Chong Hong Chuon, at Kuala Lumpur, Malaysia on 20 May 2024.

Before me:

Commissioner for Oaths

TRUSTEE’S REPORT

To the Unitholders of AmFIRST Real Estate Investment Trust

We have acted as the Trustee of AmFIRST Real Estate Investment Trust (“Trust”) for the financial year ended 31 March 2024. To the best of our knowledge, AmREIT Managers Sdn Bhd ("Management Company") has managed the Trust in accordance with the roles and responsibilities and limitation imposed on the investment powers of the Management Company and the Trustee under the Deed, the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts, the Capital Markets and Services Act 2007 and other applicable laws during the financial year ended 31 March 2024.

We are of the opinion that:

- (i) the valuation and pricing of the Trust's units are adequate and such valuation/pricing is carried out in accordance with the Deed and other regulatory requirements.
- (ii) the income distributions declared and paid during the financial year ended 31 March 2024 are in line with and are reflective of the objectives of the Trust.

For Maybank Trustees Berhad

Norhazliana Binti Mohammed Hashim  
Head, Unit Trust and Corporate Operations

Kuala Lumpur, Malaysia  
20 May 2024

INDEPENDENT AUDITORS’ REPORT  
TO THE UNITHOLDERS OF AmFIRST REAL ESTATE INVESTMENT TRUST

Report on the audit of the financial statements

Opinion

We have audited the financial statements of AmFIRST Real Estate Investment Trust (“the Trust”) which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 150 to 195.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Trust as at 31 March 2024, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors’ responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Trust in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Trust for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Trust as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors’ responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Valuation of investment properties

As at 31 March 2024, the carrying amount of the Trust’s investment properties amounted to RM1,557,799,876 which represents 97% of the Trust’s total assets. The Trust adopts the fair value model for its investment properties. The valuation of investment properties is significant to our audit due to their magnitude, complex valuation method and high dependency on a range of estimates (amongst others, rental income data and yield rate) which are based on current and future market or economic conditions. The Trust had engaged an external valuer to determine the fair value of the investment properties at the reporting date.

Report on the audit of the financial statements (Cont’d.)

Valuation of investment properties (Cont’d.)

Our audit procedures focused on the valuations performed by firms of independent valuers, which included, amongst others, the following procedures:

- We considered the objectivity, independence and expertise of the firms of independent valuers;
- We obtained an understanding of the methodology adopted by the independent valuers in estimating the fair value of the investment properties and assessed whether such methodology is consistent with those used in the industry;
- We had discussions with the independent valuers to obtain an understanding of the property related data used as input to the valuation models which included, amongst others, rental income data, yield rate and discount rate;
- We have assessed the reasonableness of the property data used in the valuation to available market data;
- We tested the accuracy of rental income data applied in the valuation by comparing them with lease agreements and challenged significant key inputs and assumptions adopted; and
- We also evaluated the Trust’s disclosures on those assumptions to which the outcome of the valuation is most sensitive. The Trust’s disclosures on the valuation sensitivity and significant assumptions used are included in Notes 5.2a and 6 to the financial statements.

Information other than the financial statements and auditors’ report thereon

The Manager is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Trust and our auditors’ report thereon. The annual report is expected to be made available to us after the date of this auditors’ report.

Our opinion on the financial statements of the Trust does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Trust, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Trust or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors’ report, we conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Manager and take appropriate action.

Responsibilities of the Manager and Trustee for the financial statements

The Manager is responsible for the preparation of financial statements of the Trust that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Trust that are free from material misstatement, whether due to fraud or error. The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

In preparing the financial statements of the Trust, the Manager is responsible for assessing the Trust’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.



**INDEPENDENT AUDITORS’ REPORT**  
TO THE UNITHOLDERS OF AmFIRST REAL ESTATE INVESTMENT TRUST

**Report on the audit of the financial statements (Cont’d.)**

*Auditors’ responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements of the Trust as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Trust, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements of the Trust or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Trust, including the disclosures, and whether the financial statements of the Trust represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors of the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors of the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors of the Manager, we determine those matters that were of most significance in the audit of the financial statements of the Trust for the current financial year and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other matters**

This report is made solely to the Unitholders of the Trust, as a body, in accordance with the Securities Commission’s Guidelines on Real Estate Investment Trusts in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT  
202006000003 (LLP0022760-LCA) & AF 0039  
Chartered Accountants

Kuala Lumpur, Malaysia  
20 May 2024

Ng Sue Ean  
No. 03276/07/2024 J  
Chartered Accountant

## STATISTICS OF UNITHOLDERS

### Thirty Largest Unitholders As at 20 May 2024

No.	Names	No. of Unitholdings	% of Holdings
1.	AmBank (M) Berhad <sup>1</sup>	183,489,138	26.73
2.	Yayasan Azman Hashim <sup>1</sup>	77,947,353	11.36
3.	DFN Resources Sdn Bhd	7,142,900	1.04
4.	Seng Siaw Wei	6,100,000	0.89
5.	CIMB Group Nominees (Asing) Sdn Bhd Exempt An For DBS Bank Ltd (SFS)	5,406,000	0.79
6.	Lim Soon Huat	5,122,272	0.75
7.	Neoh Choo EE & Company, Sdn Berhad	5,000,000	0.73
8.	Tan Kim Chuan	4,648,100	0.68
9.	AMSEC Nominees (Tempatan) Sdn Bhd AmBank (M) Berhad For Ng Bee Lan (9917-2101)	3,950,000	0.58
10.	Ong Ah How @ Ong Beng Hwa	2,415,000	0.35
11.	Lim Kew Seng	2,315,080	0.34
12.	Tew Peng Hwee @ Teoh Peng Hwee	2,200,000	0.32
13.	Oh Eng Cheng	2,115,000	0.31
14.	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Liew Sun Yick	2,100,045	0.31
15.	Kenanga Nominees (Asing) Sdn Bhd Exempt An For Phillip Securities Pte Ltd (Client Account)	2,043,867	0.30
16.	Tan Lye Huat	2,038,700	0.30
17.	Yeow Ewe Chuan	2,000,000	0.29
18.	Yu Teong Eau @ Yew Teong Eau	2,000,000	0.29
19.	Chan Chor Yook	1,900,000	0.28
20.	Wong Soh Har @ Wong Yin Teck	1,850,000	0.27
21.	Wing Kwong @ Chan Wing Kwong	1,817,224	0.26
22.	Dev Kumar Menon	1,800,000	0.26
23.	On Thiam Chai	1,800,000	0.26
24.	Tew Soo Chim	1,796,800	0.26
25.	Young Lee Chern	1,757,700	0.26
26.	Yeap Ah Kau @ Yeap Chan Tooi	1,750,000	0.25
27.	Maybank Nominees (Tempatan) Sdn Bhd Mohd Iskandar Lau Bin Abdullah	1,718,000	0.25
28.	Bina Sharine Menon Mohd Iskandar Lau Bin Abdullah	1,650,000	0.24
29.	Abdul Rahim Bin Bidin	1,615,400	0.24
30.	Koh Song Leang	1,525,000	0.22
		<b>339,013,579</b>	<b>49.41</b>

<sup>1</sup> Substantial Unitholders hold more than 5% of the unit in circulation.

### Distribution Schedule of Unit As at 20 May 2024

Category	No. of Unitholders	No. of Holdings	% of Holdings
Less than 100	843	25,752	-
100 to 1,000	3,027	1,855,364	0.3
1,001 to 10,000	5,091	23,181,225	3.4
10,001 to 100,000	3,187	111,686,066	16.3
100,001 to less than 5% of the issued units	744	288,216,702	42.0
5% and above the issued units	2	261,436,491	38.0
<b>Total</b>	<b>12,894</b>	<b>686,401,600</b>	<b>100.0</b>

### Classification of Unitholders As at 20 May 2024

Category of Unitholders	No. of Unitholders		No. of Holdings		% of Holdings	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
1. Individuals	10,417	163	298,471,042	8,960,973	43.5	1.3
2. Body Corporate						
a. Banks / Finance / Companies	1	-	2,000	-	-	-
b. Investment Trusts / Foundation / Charities	14	-	78,860,136	-	11.5	-
c. Industrial and Commercial Companies	124	4	207,059,763	1,264,384	30.2	0.2
3. Government Agencies / Institutions	1	-	11,421	-	-	-
4. Nominees	2,094	76	78,501,711	13,270,170	11.4	1.9
<b>Total</b>	<b>12,651</b>	<b>243</b>	<b>662,906,073</b>	<b>23,495,527</b>	<b>96.6</b>	<b>3.4</b>

### Breakdown of Unit Holding As at 20 May 2024

Category	No. of Unitholders	No. of Holdings
5,000 and below	7,349	11,525,910
5,001 to 10,000	1,612	13,536,431
10,001 to 50,000	2,557	64,606,149
50,001 to 500,000	1,240	173,335,845
500,001 and above	136	423,397,265
<b>Total</b>	<b>12,894</b>	<b>686,401,600</b>

## CORPORATE DIRECTORY

## MANAGER

**AmREIT Managers Sdn Bhd**  
Registration No. 200601011214  
(730964-X)

**Registered Office**  
22nd Floor,  
Bangunan AmBank Group  
No. 55, Jalan Raja Chulan  
50200 Kuala Lumpur, Malaysia  
Telephone No.: 603-2036 2633  
Facsimile No.: 603-2032 1914

**Business Address**  
Suite 101-2, Level 1, Tower 2  
Wisma AmFIRST, Jalan SS7/15  
47301 Petaling Jaya  
Selangor, Malaysia  
Telephone No.: 603-7955  
8780/8782  
Facsimile No.: 603-7955  
8360/80  
Website: [www.amfirstreit.com.my](http://www.amfirstreit.com.my)  
Email : [amfirstreit-custcare-investor@ambankgroup.com](mailto:amfirstreit-custcare-investor@ambankgroup.com)

## BOARD OF DIRECTORS

**Mr Soo Kim Wai**  
Chairman/Non-Independent  
Non-Executive Director

**Y Bhg Dato' Wong Nam Loong**  
Independent Non-Executive  
Director

**Y Bhg Dato' Abdullah Thalith  
Bin Md Thani**  
Independent Non-Executive  
Director

**Madam Jas Bir Kaur A/P Lol Singh**  
Independent Non-Executive  
Director

**Encik Azlan Baqee Bin  
Abdullah**  
Non-Independent Non-Executive  
Director

**Mr Christopher Yap Huey Wen**  
Non-Independent Non-Executive  
Director

## AUDIT COMMITTEE

**Y Bhg Dato' Wong Nam Loong**  
Chairman/Independent  
Non-Executive Director

**Y Bhg Dato' Abdullah Thalith  
Bin Md Thani**  
Independent Non-Executive  
Director

**Mr Soo Kim Wai**  
Non-Independent Non-Executive  
Director

**Madam Jas Bir Kaur A/P Lol  
Singh**  
Independent Non-Executive  
Director

MANAGEMENT  
APPOINTMENT COMMITTEE

**Y Bhg Dato' Wong Nam Loong**  
Chairman/Independent  
Non-Executive Director

**Y Bhg Dato' Abdullah Thalith  
Bin Md Thani**  
Independent Non-Executive  
Director

**Mr Soo Kim Wai**  
Non-Independent Non-Executive  
Director

## TRUSTEE

**Maybank Trustees Berhad**  
Registration No. 196301000109  
(5004-P)  
8th Floor, Menara Maybank  
100, Jalan Tun Perak  
50050 Kuala Lumpur, Malaysia  
Telephone No.: 603-2078 8363  
Facsimile No.: 603-2070 9387  
Email : [mtb.ct@maybank.com](mailto:mtb.ct@maybank.com)

## COMPANY SECRETARIES

**Ms Chan Sau Leng**  
(MAICSA 7012211)  
(SSM PC No. 202008002709)

**Ms Ruzeti Emar Binti Mohd Rosli**  
(LS0010372)  
(SSM PC No. 202008000974)

**Boardroom Corporate Services  
Sdn Bhd**  
Registration No. 196001000110  
(3775-X)  
12th Floor, Menara Symphony,  
No. 5, Jalan Prof. Khoo Kay Kim,  
Seksyen 13 46200 Petaling Jaya,  
Selangor, Malaysia  
Telephone No.: 603-7890 4800  
Facsimile No.: 603-7890 4650

## PROPERTY MANAGERS

**Knight Frank Property  
Management Sdn Bhd**  
Registration No. 201601040834  
(1211775-H)  
Level 10, Menara Southpoint  
Mid Valley City, Lingkaran Syed  
Putra  
59200 Kuala Lumpur  
Malaysia  
Telephone No.: 603-2289 9688  
Facsimile No.: 603-2289 9788

**Savills (KL) Sdn Bhd**  
Registration No. 200201020030  
(587693-W)  
Level 9, Menara Milenium  
Jalan Damanlela  
Bukit Damansara  
50490 Kuala Lumpur, Malaysia  
Telephone No.: 603-2092 5955  
Facsimile No.: 603-2092 5966

**Rahim & Co International Sdn Bhd**  
Registration No. 201501001265  
(1126597-X)  
Level 17, Menara Liberty  
1008, Jalan Sultan Ismail  
50250 Kuala Lumpur, Malaysia  
Telephone No.: 603-2691 9922  
Facsimile No.: 603-2691 9992

**CBRE WTW Property Service Sdn Bhd**  
Registration No: 197301003477 (16955-A)  
30<sup>th</sup> Floor, Menara Multipurpose,  
No 8, Jalan Munshi Abdullah, 50100, Kuala Lumpur  
Telephone No. : 603-2616 8888  
Facsimile No.: 603-2616 8889

## AUDITORS

**Ernst & Young PLT**  
[202006000003 (LLP0022760-LCA) &  
AF0039]  
Chartered Accountants  
Level 23A, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
50490 Kuala Lumpur, Malaysia  
Telephone No.: 603-7495 8000  
Facsimile No.: 603-2095 5332

## TAX ADVISER

**PricewaterhouseCoopers Taxation  
Services Sdn Bhd**  
Registration No. 199801008604 (464731-M)  
Level 10, Menara TH 1 Sentral, Jalan Rakyat  
Kuala Lumpur Sentral  
P.O. Box 10192  
50706 Kuala Lumpur, Malaysia  
Telephone No.: 603-2173 1188  
Facsimile No.: 603-2173 1288

## PRINCIPAL BANKERS

**AmBank (M) Berhad**  
Registration No. 196901000166  
(8515-D)  
(A Member of AmBank Group)  
22nd Floor, Bangunan AmBank Group  
No. 55, Jalan Raja Chulan  
50250 Kuala Lumpur, Malaysia  
Telephone No.: 603-2036 2633  
Facsimile No.: 603-2072 8439

**Public Bank Berhad**  
Registration No. 196501000672  
(6463-H)  
Menara Public Bank  
146, Jalan Ampang  
50450 Kuala Lumpur, Malaysia  
Telephone No.: 603-2163 8888/8899  
Facsimile No.: 603-2163 9917

**Malayan Banking Berhad**  
Registration No. 196001000142 (3813-K)  
Menara Maybank  
100, Jalan Tun Perak  
50050 Kuala Lumpur, Malaysia  
Telephone No.: 603-2070 8833  
Facsimile No.: 603-2715 9442

## REGISTRAR

**Boardroom Share Registrars Sdn Bhd**  
Registration No. 199601006647 (378993-D)  
11th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor, Malaysia  
Telephone No.: +603-7890 4700  
Facsimile No.: +603-7890 4670  
Email : [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com)

## STOCK EXCHANGE LISTING

**Main Market of Bursa Malaysia**  
Stock Name: AmFIRST  
Stock Code: 5120

NOTICE OF THE TWELFTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the **Twelfth Annual General Meeting (12th AGM or the Meeting) of the Unitholders of AmFIRST Real Estate Investment Trust (AmFIRST REIT)** will be conducted virtually through live streaming for the purpose of considering and if thought fit, passing with or without modifications the resolutions set out in this Notice.

Meeting Platform : <https://investor.boardroomlimited.com>  
Day and Date : Friday, 23 August 2024  
Time : 10:00 a.m.  
Broadcast Venue : 12th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia

AGENDA

AS ORDINARY BUSINESS

- 1. 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.

By Order of the Board of  
AmREIT Managers Sdn Bhd  
Registration No. 200601011214 (730964-X)  
The Manager of AmFIRST Real Estate Investment Trust

Chan Sau Leng (MAICSA 7012211) (SSM PC No.: 202008002709)  
Ruzeti Emar Binti Mohd Rosli (LS0010372) (SSM PC No.: 202008000974)  
Company Secretaries

Kuala Lumpur  
28 June 2024

EXPLANATORY NOTES:

Audited Financial Statements

This Agenda item is meant for discussion only and does not require a formal approval of the Unitholders. Hence, this item is not put forward for voting.

NOTES:

1. Remote Participation

- (i) 12th AGM will be conducted virtually through live streaming by registering online with Boardroom Smart Investor Portal (BSIP) at <https://investor.boardroomlimited.com>.
- (ii) Please follow the procedures provided in the Administrative Guide for the 12th AGM in order to register and participate via BSIP.
- (iii) A Unitholder may exercise his/her right to participate (including to pose questions to the Directors), at the comfort of your home/office.
- (iv) Unitholders may use the messaging box facility to submit questions real time during the AGM.
- (v) The broadcast venue of the meeting is strictly for the purpose of observing the requirement where it entails the Chairman of the Meeting to be at the main venue (broadcast venue). No Unitholders/Proxy(ies) from the public will be physically present at the broadcast venue.

2. Proxy

- (i) Only depositors whose names appear in the Record of Depositors as at 10:00 a.m. Wednesday, 21 August 2024 shall be regarded as Unitholders and be entitled to attend and speak at the 12th AGM.
- (ii) A Unitholder entitled to attend at the meeting is entitled to appoint another person (whether a Unitholder or not) as its proxy to attend instead of him/her. There shall be no restrictions as to the qualification of the proxy. A proxy appointed to attend at the meeting shall have the same rights as the Unitholder to speak at the meeting.
- (iii) A Unitholder shall not be entitled to appoint more than two proxies to attend at the meeting. Where a Unitholder appoints two proxies, the appointment shall be invalid unless the Unitholder specifies the proportions of its holdings to be represented by each proxy in the Form of Proxy.
- (iv) Where a Unitholder is a corporation, its duly authorised representative shall be entitled to attend at the meeting and shall be entitled to appoint another person (whether a Unitholder or not) as its proxy to attend. The Form of Proxy shall be in writing under the hands of the appointor or of his/her attorney duly authorised in writing or if the appointor is a corporation either under its common seal, or the hand of its officer or its duly authorised attorney.
- (v) If a Unitholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with units of AmFIRST REIT standing to the credit of the said securities account.
- (vi) Where a Unitholder is an exempt authorised nominee who holds units in AmFIRST REIT for multiple beneficial owners in one securities account (Omnibus Account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- (vii) The appointment of Proxy may be made in a hardcopy form or by electronic means as follows:

In Hardcopy Form

The Hardcopy Form of Proxy shall be in writing under the hands of the appointor or of his/her attorney duly authorised in writing or if the appointor is a corporation either under its common seal, or the hand of its officer or its duly authorised attorney.

The Form of Proxy shall be deposited at the office of the Share Registrar of AmFIRST REIT at Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia no later than forty-eight hours before the time for holding the meeting or any adjourned meeting.

By Electronic Means

The Form of Proxy may be submitted:

- (a) to the Share Registrar of AmFIRST REIT, Boardroom Share Registrars Sdn Bhd via email to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com), no later than forty-eight hours before the time for holding the meeting or any adjourned meeting at which the person named in Form; or
- (b) via electronic means (e-Proxy) through BSIP at <https://investor.boardroomlimited.com> by logging in and selecting “**Submit e-Proxy form**” under “**AmFIRST REAL ESTATE INVESTMENT TRUST 12TH ANNUAL GENERAL MEETING**” from the list of Meeting Event no later than forty-eight hours before the time for holding the meeting or any adjourned meeting (please refer to the Annexure to the Form of Proxy for further information on submission via e-Proxy).

3. Unitholders entitled to participate

For the purposes of determining a Unitholder who shall be entitled to participate at the meeting, AmFIRST REIT shall be requesting from Bursa Malaysia Depository Sdn. Bhd., to issue a General Meeting Record of Depositors as at 16 August 2024. In respect of the deposited securities, only Unitholders whose names appear in the Record of Depositors of AmFIRST REIT on 16 August 2024 shall be entitled to participate at the meeting or appoint the Chairman of the Meeting as Proxy to participate on such depositor’s behalf.



NOTICE OF THE TWELFTH ANNUAL GENERAL MEETING

4. Registration of Unitholders/Proxies

Registration of Unitholders/Proxies is opened from 5:00 p.m. Friday, 28 June 2024 onwards. Please follow the procedures provided in the Administrative Guide for the 12th AGM in order to register and participate remotely via the Meeting Platform.

5. Personal Data Privacy

By registering for the remote participation and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the Unitholder has consented to the use of such data for purposes of processing and administration by AmFIRST REIT (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The Unitholder agrees that he/she will indemnify AmFIRST REIT in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the Unitholder's breach of warranty.

ADMINISTRATIVE GUIDE

ADMINISTRATIVE GUIDE FOR THE TWELFTH ANNUAL GENERAL MEETING OF THE UNITHOLDERS OF AmFIRST REAL ESTATE INVESTMENT TRUST (AmFIRST REIT)

Meeting Platform	: <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a>
Day and Date	: Friday, 23 August 2024
Time	: 10:00 a.m.
Broadcast Venue	: 12th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13, 46200 Petaling Jaya Selangor Darul Ehsan, Malaysia

Dear Unitholders,

The forthcoming Twelfth Annual General Meeting (**12th AGM** or the **Meeting**) of AmFIRST REIT will be conducted virtually through live streaming at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya. Selangor Darul Ehsan, Malaysia.

In line with the Malaysian Code on Corporate Governance Practice 13.3, by conducting a virtual AGM, this would facilitate greater Unitholders' participation as it facilitates remote participation and electronic voting virtually. With the RPEV facilities, you may exercise your rights as a Unitholder to participate (including to pose questions to the Board of the Manager) at the meeting. Alternatively, you may also appoint the Chairman of the Meeting as your proxy to attend on your behalf at the meeting.

Kindly ensure that you are connected to the internet at all times in order to participate when the meeting has commenced. Therefore, it is your responsibility to ensure that connectivity for the duration of the meeting is maintained. Kindly note that the quality of the live webcast is dependent on the bandwidth and stability of the internet connection at the locations of the remote participants.

Digital Copies of Annual General Meeting Documents

As part of our commitment to reduce paper usage, the following documents are available on the Trust's corporate website:

- 1. Annual Report 2024 at <https://ir2.chartnexus.com/amfirstreit/reports.php>
- 2. Notice of 12th AGM, Form of Proxy and Administrative Guide at <https://ir2.chartnexus.com/amfirstreit/agm.php>

Should you require a printed copy of the above documents, you may submit your request through telephone/email to the number/email address provided in the enquiry section of this document. Any request for the printed copy of the AGM documents would be forwarded to the requestor within 30-days from the date of receipt of the request.

Broadcast Venue

Unitholders are not allowed to participate in the meeting at the broadcast venue as the broadcast venue is only meant to facilitate the conduct of the virtual meeting. Unitholders who turn up at the broadcast venue would be requested to leave the venue.

Entitlement to Participate the Meeting

In respect of deposited securities, only Unitholders whose names appear on the Record of Depositors on 16 August 2024 (General Meeting Record of Depositors) shall be eligible to participate at the meeting or appoint proxy(ies) to participate on his/her behalf.

Form of Proxy

Unitholders are encouraged to go online and participate at the meeting using RPEV facilities. If you are not able to participate, you can appoint the Chairman of the meeting as your proxy in the Form of Proxy.

You may download the Form of Proxy from the Trust’s website at <https://ir2.chartnexus.com/amfirstreit/agm.php>.

Please ensure that the original Form of Proxy is deposited at our Share Registrar’s office at Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight hours before the time appointed for holding the meeting. Details of our Share Registrar’s office can be found in the enquiry section of this document.

Alternatively, you may deposit your Form of Proxy by electronic means through BSIP at <https://investor.boardroomlimited.com> to login and deposit your Form of Proxy electronically, also forty-eight hours before the meeting.



Revocation of Proxy

If you have submitted your Form of Proxy and subsequently decide to appoint another person or wish to participate in the meeting by yourself, please write in to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) or via BSIP (as the case maybe) to revoke the earlier appointed proxy forty-eight hours before the meeting.

Online Registration Procedure

Procedure		Action
Before the day of the meeting		
1.	Register Online with BSIP	<p><i>[Note: If you have already signed up with BSIP, you are not required to register. You may proceed to Step 2.]</i></p> <p>a. Access BSIP at <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a>.</p> <p>b. Click “Register” to sign up as a user.</p> <p>c. Complete registration and upload softcopy of MyKad (front and back) or Passport in JPEG, PNG, or PDF format.</p> <p>d. You will receive an email from BSIP for email address verification. Click “<b>Verify Email Address</b>” to proceed with the registration.</p> <p>e. Once your email address is verified, you will be re-directed to BSIP for verification of your mobile number. Click “<b>Request OTP Code</b>” and an OTP code will be sent to the registered mobile number. Click “<b>Enter</b>” to enter the OTP code to complete the process.</p> <p>f. Your registration will be verified and approved within one business day and an email notification will be provided. You can login to BSIP at <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> with the email address and password that you have provided during the registration to proceed with the next step.</p>

Procedure		Action
2.	Submit Request for Remote Participation	<p>Registration for remote access will be opened at 5:00 p.m. on Friday, 28 June 2024 until the day of the 12<sup>th</sup> AGM on Friday, 23 August 2024.</p> <p><b>Individual Unitholders</b></p> <p>a. Access BSIP at <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> using your User ID (registered email address) and Password.</p> <p>b. Select “<b>AmFIRST REAL ESTATE INVESTMENT TRUST 12TH ANNUAL GENERAL MEETING</b>” from the list of Corporate Meetings and click “<b>Enter</b>”.</p> <p>c. Click on “<b>Register for RPEV</b>”.</p> <p>d. Read and accept the General Terms and Conditions by clicking “<b>Next</b>”.</p> <p>e. Enter your CDS Account Number and thereafter submit your request.</p> <p><b>e-Proxy Lodgment</b></p> <p>a. Access BSIP at <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> using your User ID (registered email address) and Password.</p> <p>b. Select “<b>AmFIRST REAL ESTATE INVESTMENT TRUST 12TH ANNUAL GENERAL MEETING</b>” from the list of Meeting Event and click “<b>Enter</b>”.</p> <p>c. Click on “<b>Submit e-Proxy Form</b>”.</p> <p>d. Read and accept the General Terms and Conditions by clicking “<b>Next</b>”.</p> <p>e. Enter your CDS Account Number and indicate the number of securities.</p> <p>f. Appoint your proxy(ies) or the Chairman of the Meeting and enter the required particulars for your proxy(ies).</p> <p>g. Review and confirm your proxy(ies) appointment. Click “<b>Apply</b>”.</p> <p>h. Download or print the e-Proxy Form acknowledgement.</p> <p><b>For Authorised Nominee and Exempt Authorised Nominee</b></p> <p>a. <u>Via BSIP</u></p> <p>(i) Login to <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> using your User ID and Password from Step 1 above.</p> <p>(ii) Select “<b>AmFIRST REAL ESTATE INVESTMENT TRUST 12TH ANNUAL GENERAL MEETING</b>” from the list of Corporate Meeting and click “Enter.”</p> <p>(iii) Click on “<b>Submit e-Proxy Form</b>”.</p> <p>(iv) Select the company you would like to be represented (if more than one).</p> <p>(v) Proceed to download the file format “<b>Submission of Form of Proxy</b>”.</p> <p>(vi) Prepare the file for the appointment of proxy(ies) by inserting the required data.</p> <p>(vii) Proceed to upload the duly completed Proxy Appointment file.</p> <p>(viii) Review and confirm your proxy(ies) appointment and click “<b>Submit</b>”.</p> <p>(ix) Download or print the e-Proxy Form as acknowledgement.</p>

Procedure		Action
		<p>b. <u>Via Email</u></p> <p>(i) Write in to <a href="mailto:bsr.helpdesk@boardroomlimited.com">bsr.helpdesk@boardroomlimited.com</a> by providing the name of Unitholder, CDS Account Number accompanied with the Form of Proxy to submit in request.</p> <p>(ii) Please provide a copy of the Proxy Holder's MyKad (front and back) or Passport in JPEG, PNG or PDF format together with his/her email address.</p>
3.	Email Notification	<p>a. You will receive notification(s) from Boardroom that your request(s) has/ have been received and is/are being verified.</p> <p>b. Upon system verification against the General Meeting Record of Depositors as at 16 August 2024, you will receive an email from Boardroom either approving or rejecting your registration for remote participation.</p>
On the day of the meeting		
4.	Login to Meeting Platform	<p>a. Login to <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> using your User ID and Password from Step 1 above. <i>[Note: If you do not have an account with BSIP, please sign-up/register with BSIP for free - refer to process "Step 1: Register Online with BSIP above.]</i></p> <p>b. Meeting platform will be made available at any time from 9:00 a.m. i.e. one hour before the commencement of the 12th AGM at 10:00 a.m. on 23 August 2024.</p> <p>c. Click into <b>"Meeting Event"</b> and go to <b>"AmFIRST REAL ESTATE INVESTMENT TRUST 12TH ANNUAL GENERAL MEETING"</b> and then click <b>"Join Live Meeting"</b> to join the proceedings of the AGM remotely.</p>
5.	Participate	<p><i>[Note: Questions submitted online via Meeting Platform will be moderated before being sent to the Chairman to avoid repetition. MSWG's questions and answers will be presented during the meeting.]</i></p> <p>a. If you would like to expand the live webcast, select the broadcast icon. </p> <p>b. If you would like to ask a question during the meeting, please select the messaging icon. </p> <p>c. Type your message within the chat box, once completed click the send button.</p>
6.	End of Participation	Upon the announcement by the Chairman on the closure of the meeting, the live webcast will end and the Messaging window will be disabled.

**Door Gifts**

There will be no gifts to be distributed to Unitholders and Proxies who participate at the meeting.

**Enquiries**

If you have any enquiry on the RPEV facilities (technical assistance) prior to the meeting, please contact the following during office hours from Monday to Friday (8:30 a.m. to 5:30 p.m.):

**Boardroom Share Registrars Sdn. Bhd.**

Address : 11th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

General Line : 603-7890 4700

Fax Number : 603-7890 4670

Email : [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com)

**Submission of questions before and during the meeting**

1. Typed text in the Meeting Platform.
2. Unitholders may submit questions in advance commencing from 28 June 2024 and in any event no later than 10:00 a.m., 20 August 2024 via BSIP at <https://investor.boardroomlimited.com> by logging in and select **"SUBMIT QUESTION"** to pose questions (**Pre-AGM Meeting Questions**).

**Personal Data Privacy**

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the Unitholder has consented to the use of such data for purposes of processing and administration by AmFIRST REIT (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The Unitholder agrees that he/she will indemnify AmFIRST REIT in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the Unitholder's breach of warranty.



AmFIRST REAL ESTATE INVESTMENT TRUST

[Established in Malaysia under the Trust Deed dated 28 September 2006 (Original Deed) (as amended by the First Supplemented, Revised and Restated Trust Deed dated 15 December 2006 (First Deed), the Second Restated Deed dated 13 September 2013 (Second Deed) and the Third Restated Deed dated 12 June 2020 (Third Deed or the Deed)) entered into between AmREIT Managers Sdn Bhd and Maybank Trustees Berhad, companies incorporated under the Companies Act, 1965]

FORM OF PROXY

CDS Account No.
**CDS Account No. of Authorised Nominee
Number of Units Held

\*I/We (full name), .....  
(\*NRIC No./Passport No./Company No. ....)  
of (full address) .....  
.....  
with email address ..... mobile phone no. ....  
being a Unitholder of AmFIRST Real Estate Investment Trust (**AmFIRST REIT**) hereby appoints:

First Proxy “A”

Full Name:		Proportion of Unitholdings Represented	
		No. of Units	%
NRIC No./Passport No.:			
Full Address:			
Email Address:		Telephone no.:	

and/or failing \*him/her,

Second Proxy “B”

Full Name:		Proportion of Unitholdings Represented	
		No. of Units	%
NRIC No./Passport No.:			
Full Address:			
Email Address:		Telephone no.:	

100%

or \*failing him/her, \*hereby appoint the Chairman of the meeting, as my/our Proxy to attend for me/us on my/our behalf at the Twelfth Annual General Meeting (**12th AGM** or the **Meeting**) of AmFIRST REIT to be conducted virtually through live streaming on the following Meeting Platform, set out below and at any adjournment thereof:

Meeting Platform	<a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a>
Day and Date	Friday, 23 August 2024
Time	10:00 a.m.
Broadcast Venue	12th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13, 46200 Petaling Jaya Selangor Darul Ehsan

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

Signature of Unitholder/Common Seal (if Unitholder is a Corporation)

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\* Delete if not applicable



NOTES:

1. Remote Participation

- (i)12th AGM will be conducted virtually via the Meeting Platform through live streaming by registering online with Boardroom Smart Investor Portal (BSIP) at https://investor.boardroomlimited.com.
- (ii)Please follow the procedures provided in the Administrative Guide for the 12th AGM in order to register and participate remotely via the BSIP.
- (iii)A Unitholder may exercise his/her right to participate (including to pose questions to the Directors) at the meeting, at the comfort of your home/office.
- (iv)Unitholders may use the messaging box facility to submit questions in real time during the 12th AGM.
- (v)The broadcast venue of the meeting is strictly for the purpose of observing the requirement, where it entails the Chairman of the Meeting to be at the main venue (broadcast venue). No Unitholders/Proxy(ies) from the public will be physically present at the broadcast venue.

2. Proxy

- (i)Only depositors whose names appear in the Record of Depositors as at 10:00 a.m. Wednesday, 21 August 2024 shall be regarded as Unitholders and be entitled to attend and speak at the 12th AGM.
- (ii)A Unitholder entitled to attend at the meeting is entitled to appoint another person (whether a Unitholder or not) as its proxy to attend instead of him/her. There shall be no restrictions as to the qualification of the proxy. A proxy appointed to attend at the meeting shall have the same rights as the Unitholder to speak at the meeting.
- (iii)A Unitholder shall not be entitled to appoint more than two proxies to attend at the meeting. Where a Unitholder appoints two proxies, the appointment shall be invalid unless the Unitholder specifies the proportions of its holdings to be represented by each proxy in the Form of Proxy.
- (iv)Where a Unitholder is a corporation, its duly authorised representative shall be entitled to attend at the meeting and shall be entitled to appoint another person (whether a Unitholder or not) as its proxy to attend. The Form of Proxy shall be in writing under the hands of the appointor or of his/her attorney duly authorised in writing or if the appointor is a corporation either under its common seal, or the hand of its officer or its duly authorised attorney.
- (v)If a Unitholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with units of AmFIRST REIT standing to the credit of the said securities account.
- (vi)Where a Unitholder is an exempt authorised nominee who holds units in AmFIRST REIT for multiple beneficial owners in one securities account (Omnibus Account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- (vii)The appointment of Proxy may be made in a hardcopy form or by electronic means as follows:

In Hardcopy Form

The Hardcopy Form of Proxy shall be in writing under the hands of the appointor or of his/her attorney duly authorised in writing or if the appointor is a corporation either under its common seal, or the hand of its officer or its duly authorised attorney. The Form of Proxy shall be deposited at the office of the Share Registrar of AmFIRST REIT at Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia no later than forty-eight hours before the time for holding the meeting or any adjourned meeting.

By Electronic Means

The Form of Proxy may be submitted:

- (a)to the Share Registrar of AmFIRST REIT, Boardroom Share Registrars Sdn Bhd via email to bsr.helpdesk@boardroomlimited.com, no later than forty-eight hours before the time for holding the meeting or any adjourned meeting at which the person named in Form ; or
- (b)via electronic means (e-Proxy) through BSIP at https://investor.boardroomlimited.com by logging in and selecting “Submit e-Proxy form” under “AmFIRST REAL ESTATE INVESTMENT TRUST 12TH ANNUAL GENERAL MEETING” from the list of Meeting Event no later than forty-eight hours before the time for holding the meeting or any adjourned meeting (please refer to the Annexure to the Form of Proxy for further information on submission via e-Proxy).

3. Unitholders entitled to participate

For the purposes of determining a Unitholder who shall be entitled to participate at the meeting, AmFIRST REIT shall be requesting from Bursa Malaysia Depository Sdn. Bhd., to issue a General Meeting Record of Depositors as at 16 August 2024. In respect of the deposited securities, only Unitholders whose names appear in the Record of Depositors of AmFIRST REIT on 16 August 2024 shall be entitled to participate at the meeting or appoint the Chairman of the Meeting as Proxy to participate on such depositor’s behalf.

4. Registration of Unitholders/Proxies

Registration of Unitholders/Proxies is opened from 5:00 p.m. Friday, 28 June 2024 onwards. Please follow the procedures provided in the Administrative Guide for the 12th AGM in order to register and participate remotely via the Meeting Platform.

5. Personal Data Privacy

By registering for the remote participation and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the Unitholder has consented to the use of such data for purposes of processing and administration by AmFIRST REIT (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The Unitholder agrees that he/she will indemnify AmFIRST REIT in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the Unitholder’s breach of warranty.

Fold this flap for sealing

Then fold here

Affix Stamp

The Registrar for AmFIRST Real Estate Investment Trust

Boardroom Share Registrars Sdn Bhd  
11th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,  
46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia

First fold here

ANNEXURE TO THE FORM OF PROXY

Dear Unitholders,

We are pleased to inform you that as a Unitholder, you have the option to submit your Form of Proxy via electronic means (e-Proxy) in paperless form. Once you have successfully submitted your e-Proxy Form, you are no longer required to complete and submit the physical Form of Proxy to the office of the Share Registrar of AmFIRST REIT.

To assist you on how to engage with e-Proxy, kindly read and follow the guidance notes which are detailed below:

ELECTRONIC LODGEMENT OF FORM OF PROXY OF THE 12TH AGM (E-PROXY LODGEMENT)

Step 1: Register online with BSIP (for first time registration only)

[Note: If you have already signed up with BSIP, you are not required to register again. You may proceed to Step 2 below for e-Proxy lodgement.]

(a)

Access BSIP at <https://investor.boardroomlimited.com>.

(b)

Click “**Register**” to sign up as a user.

(c)

Complete registration and upload softcopy of MyKad (front and back) or Passport in JPEG, PNG, or PDF format.

(d)

You will receive an email from BSIP for email address verification. Click “**Verify Email Address**” to proceed with the registration.

(e)

Once your email address is verified, you will be re-directed to BSIP for verification of your mobile number. Click “**Request OTP Code**” and an OTP code will be sent to the registered mobile number. Click “**Enter**” to enter the OTP code to complete the process.

(f)

Your registration will be verified and approved within one business day and an email notification will be provided. You can login to BSIP at <https://investor.boardroomlimited.com> with the email address and password that you have provided during the registration to proceed with the next step.

Step 2: e-Proxy lodgement

(a)

Login to <https://investor.boardroomlimited.com> using your User ID (registered email address) and Password.

(b)

Select “**AmFIRST REAL ESTATE INVESTMENT TRUST 12TH ANNUAL GENERAL MEETING**” from the list of Corporate Meetings and click “**Enter**”.

(c)

Click on “**Submit e-Proxy Form**”.

(d)

Read and accept the General Terms and Conditions by clicking “**Next**”.

(e)

Enter your CDS Account Number and indicate the number of securities.

(f)

Appoint your proxy(ies) or the Chairman of the Meeting and enter the required particulars for your proxy(ies).

(g)

Review and confirm your proxy(ies) appointment.

(h)

Click “**Apply**”.

(i)

Download or print the e-Proxy Form acknowledgement.

**Note for Corporate Shareholder:** If you are the authorised representative for more than one corporate shareholder, kindly click the home button and select “Edit Profile” in order to add Company name.

**For Corporate Shareholder (via email)**

- (a) Write in to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) by providing the name of Unitholder, CDS Account Number accompanied with the Certificate of Appointment of Corporate Representative of Form of Proxy to submit the request.
- (b) Please provide a copy of the Corporate Representative's or Proxy Holder's MyKad (front and back) or Passport in JPEG, PNG or PDF format together with his/her email address.

**For Authorised Nominee and Exempt Authorised Nominee**

- (a) Via BSIP
  - (i) Login to <https://investor.boardroomlimited.com> using your User ID and Password from Step 1 above.
  - (ii) Select “**AmFIRST REAL ESTATE INVESTMENT TRUST 12TH ANNUAL GENERAL MEETING**” from the list of Corporate Meeting and click “Enter”.
  - (iii) Click on “**Submit e-Proxy Form**”.
  - (iv) Select the company you would like to be represented (if more than one).
  - (v) Proceed to download the file format “**Submission of Form of Proxy**”.
  - (vi) Prepare the file for the appointment of proxy(ies) by inserting the required data.
  - (vii) Proceed to upload the duly completed Proxy Appointment file.
  - (viii) Review and confirm your proxy(ies) appointment and click “**Submit**”.
  - (ix) Download or print the e-Proxy Form as acknowledgement.
- (b) Via email
  - (i) Write in to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) by providing the name of Unitholder, CDS Account Number accompanied with the Form of Proxy to submit in request.
  - (ii) Please provide a copy of the Proxy Holder's MyKad (front and back) or Passport in JPEG, PNG or PDF format together with his/her email address.

**Step 3: Email Notification**

- (a) You will receive a notification from Boardroom that your request has been received and is being verified.
- (b) Upon system verification of your registration against the General Meeting Record of Depositor as at 16 August 2024, you will receive an email from Boardroom either approving or rejecting your registration for remote participation.
- (c) You will also receive your remote access User ID and Password along with an email from Boardroom if your registration is approved
- (d) You are encouraged to submit your request **at least forty-eight hours before the commencement of AGM, i.e. by Wednesday, 21 August 2024 at 10:00 a.m.**, to avoid any delay in the registration process.



[www.amfirstreit.com.my](http://www.amfirstreit.com.my)

**AmREIT Managers Sdn Bhd**  
Registration No. 200601011214 (730964-X)

Suite 101-2, Level 1, Tower 2  
Wisma AmFIRST  
Jalan SS7/15  
47301 Petaling Jaya, Selangor

Tel: +603 7955 8780/82      Fax: +603 7955 8360/80