



REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted under the laws of Malaysia)

## Income Distribution Reinvestment Plan Statement

*(Abbreviations and definitions, unless where the context requires otherwise, shall be as set out in Section 2 below of the Terms and Conditions of the Income Distribution Reinvestment Plan)*

This Income Distribution Reinvestment Plan Statement (“**Statement**”) contains the terms and conditions of the income distribution reinvestment plan of Axis-REIT (“**Terms and Conditions**”) under which persons registered in the record of depositors of Axis-REIT (“**Record of Depositors**”) as the Unitholders on the Book Closure Date may, in relation to any Income Distribution, be given an option to reinvest the whole or a portion of such Income Distribution into new Units as the Board may, in its absolute discretion, make available (“**Income Distribution Reinvestment Plan**” or “**IDRP**”).

### SUMMARY OF MAIN FEATURES OF THE IDRP

Whenever an Income Distribution is announced, the Board may, in its absolute discretion, determine that the IDRP applies to the whole or a portion of the Income Distribution and where applicable, any remaining portion of the Income Distribution will be paid in cash.

Unless the Board has determined that the IDRP will apply to a particular Income Distribution, the Income Distribution concerned will be paid in cash to the Unitholders in accordance with the current mode of payment.

This IDRP will provide the Unitholders with the following options to reinvest their Income Distribution into new Units:

- (i) elect to receive the Electable Portion in cash; or
- (ii) elect to reinvest the entire Electable Portion into new Units credited as fully paid-up at an issue price to be determined by the Board on the Price-Fixing Date; or
- (iii) elect to reinvest part of the Electable Portion into new Units credited as fully paid-up at an issue price to be determined by the Board on the Price-Fixing Date and to receive the remaining part of the Electable Portion in cash.

For the avoidance of doubt, all gross Income Distribution with respect to the Electable Portion and the Remaining Portion will be subject to the usual withholding tax, if applicable. The net Income Distribution (net of withholding tax, if applicable) will either be paid in cash and/or reinvested into new Units at its equivalent amount (as the case may be).

There is no tax advantage to be gained by Unitholders when exercising any of the abovementioned options.

For the purpose of computing the number of new Units to be issued under the IDRP, the issue price of such new Units shall not be more than 10% discount to the 5-day VWAMP of the Units immediately prior to the Price-Fixing Date, of which the 5-day VWAMP shall be adjusted ex-Income Distribution before applying the aforementioned discount. An announcement on the Book Closure Date will be made thereafter.

Subsequent to the Book Closure Date, a Notice of Election together with this Statement will be sent to the Unitholders via ordinary mail. Instructions will be provided in the Notice of Election in respect of the action to be taken by the Participating Unitholders. Unitholders who wish to participate in the IDRП may elect to reinvest the entire or part of the Electable Portion into new Units by submitting the hard copy of the IDRФ contained in the Notice of Election or by submitting an e-IDRF through BSIP Online. Please refer to Section 6 of the Terms and Conditions herein for further information.

The new Units to be allotted and issued pursuant to the IDRП will rank equally in all respects with the existing Units, except that the holders of the new Units will not be entitled to any Income Distribution, rights, benefits, entitlement and/or any other distributions, the entitlement date of which is prior to the Allotment Date.

Unitholders participating in the IDRП will receive notification letters setting out, among others, the number of new Units allotted to them under the IDRП.

## **HOW TO PARTICIPATE**

Participation in the IDRП is optional and not transferable. A Unitholder wishing to reinvest in respect of any Electable Portion into new Units to which a Notice of Election received by him/her/it relates, must complete the hard copy IDRФ and return it to the registrar appointed by Axis-REIT for the IDRП ("**Registrar**"), Boardroom Share Registrars Sdn Bhd at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan or such other addresses as may be determined by the Manager from time to time, or complete the e-IDRF via BSIP Online in accordance with the instructions as prescribed therein.

A Unitholder receiving more than 1 Notice of Election and wishing to reinvest the entire or part of the Electable Portion into new Units in respect of all of his/her/its entitlement to the Electable Portion must complete all IDRФs contained in the Notices of Election received by him/her/it and return the completed IDRФs in hard copy to the Registrar or complete all the e-IDRFs via BSIP Online in accordance with the instructions as prescribed therein. Unitholders should note that they are at liberty to decide which particular Notice of Election they wish to elect for the reinvestment into new Units. Where any particular Notice of Election is not elected upon or not received by the Registrar at its office or at such address as may be determined by the Manager from time to time, by the Expiry Date, the Income Distribution relating thereto will be paid in cash.

For an Electable Portion to which a Notice of Election relates to take effect, such duly completed and signed IDRФ in hard copy must be received by the Registrar at its office or at such address as may be determined by the Manager from time to time, by the Expiry Date; or the completed e-IDRF must be submitted via BSIP Online in accordance with the instructions as prescribed therein, no later than the Expiry Date.

All Unitholders are eligible to participate in the IDRП provided that such participation will not result in:

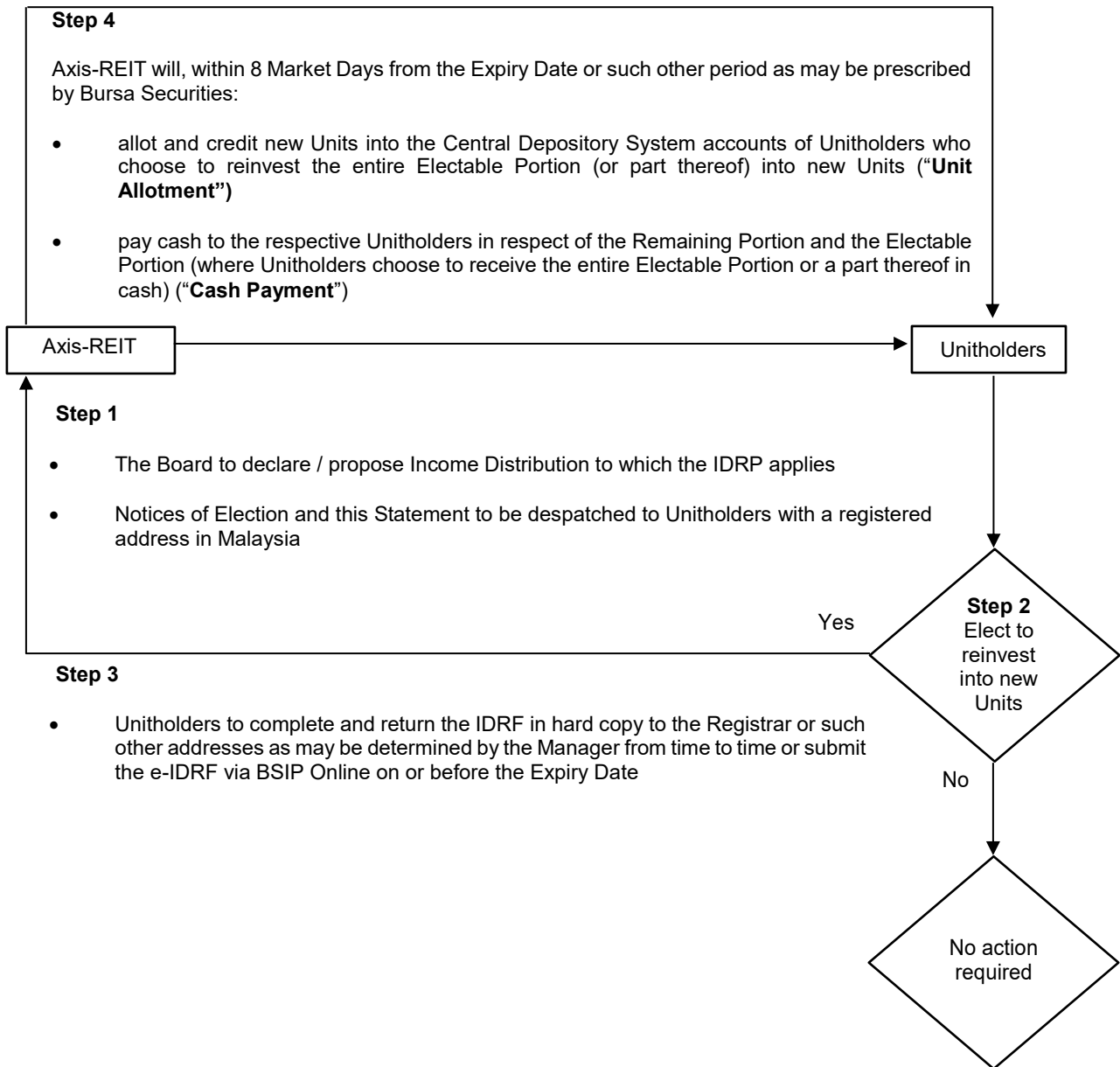
- any restrictions in respect of the holding of the Units which may be imposed by any statute, law, regulation or contractual obligation of the Unitholders whereby participation in the IDRП would result in a breach of such restrictions; and
- any Unitholder who may be restricted by any provision in the Deed from participating in the IDRП.

However, Unitholders should note that to avoid any violation on the part of the Manager of any securities laws applicable outside Malaysia, the Notice of Election will not be sent to Overseas Unitholders who do not provide an address in Malaysia.

Under the present laws of Malaysia, there is no brokerage or other material transaction costs payable by the Participating Unitholder on the new Units allotted and issued under the IDRП, save for the stamp certificate of RM10.00 which has to be affixed to each hard copy IDRП. In the event a Participating Unitholder confirms his/her election via BSIP Online, he/she will be required to pay stamp duty of RM10.00 and a handling fee of RM5.00 for Individual/Corporate/Institutional/Nominee Registered Unitholders which is payable to the Registrar for each e-IDRF submitted via BSIP Online.

In the Manager’s effort to enhance the attractiveness of the IDRП, the Fund will absorb and bear the stamp duty of RM10.00 (except any applicable handling fees) for each IDRП or e-IDRF executed for election under the IDRП in respect of securities account holders of less than 16,000 Units.

The process flow chart in relation to any Income Distribution to which the IDRП applies is set out below:



\* In respect of Step 4, Unitholders should note that the Cash Payment and Unit Allotment will occur on the same day, which will be within the time period as may be permitted by the relevant authorities

All gross Income Distribution with respect to the Electable Portion and the Remaining Portion will be subject to the usual withholding tax, if applicable. The net Income Distribution (net of withholding tax, if applicable) will either be paid in cash and/or reinvested into new Units at its equivalent amount (as the case may be).

## TERMS AND CONDITIONS OF THE IDRП

### 1. Establishment

The IDRП has been established by the Board and the administration of the plan shall be determined by the Board in its absolute discretion.

### 2. Definitions

The following definitions shall apply in the Terms and Conditions:

“**Allotment Date**” shall mean the date on which the new Units are allotted and issued under the IDRП, which shall be within 8 Market Days from the Expiry Date or such other date as may be prescribed by Bursa Securities;

“**Axis-REIT**” or “**Fund**” shall mean Axis Real Estate Investment Trust;

“**Board**” shall mean the board of directors of the Manager;

“**Book Closure Date**” shall mean the book closure date in relation to the Income Distribution to which the IDRП applies;

“**BSIP Online**” shall mean Boardroom Smart Investor Portal website at <https://investor.boardroomlimited.com>;

“**Bursa Depository**” shall mean Bursa Malaysia Depository Sdn Bhd;

“**Bursa Securities**” shall mean Bursa Malaysia Securities Berhad;

“**CDS**” shall mean Central Depository System;

“**Deed**” shall mean the Fourth Principal Deed dated 17 January 2020 executed between the Manager and the Trustee, constituting Axis-REIT;

“**e-IDRF**” shall mean electronic copy of the IDRF;

“**Electable Portion**” shall mean the whole or a portion of the Income Distribution to which the Board, in its absolute discretion, determines that the IDRП applies;

“**Expiry Date**” shall mean the last date and time which will be fixed and announced by the Board for the Unitholders to make an election in relation to the Electable Portion;

“**IDRF**” shall mean the income distribution reinvestment form issued in connection with the IDRП and contained in the Notice of Election;

“**Income Distribution**” shall mean either an interim or final cash income distribution declared by the Board;

“**ARMB**” or “**Manager**” shall mean Axis REIT Managers Berhad, being the management company of Axis-REIT;

“**Market Day**” shall mean any day between Monday to Friday, both days inclusive, which is not a public holiday and on which Bursa Securities is open for trading of securities;

“**Notice of Election**” shall mean a notice of election (in such form as the Board may approve) by which the Unitholders elect to participate in the IDRП through the IDRF contained therein;

**“Overseas Unitholders”** shall mean Unitholders whose registered addresses maintained with Bursa Depository are not in Malaysia;

**“Participating Unitholder(s)”** shall mean Unitholders who elect to participate in the IDRP to the extent of the Electable Portion as determined by the Board in its absolute discretion in respect of the Unitholders’ holdings of Units as at the Book Closure Date to which each Notice of Election received by such Unitholders relates;

**“Price-Fixing Date”** shall mean the date on which the Board determines and announces the issue price of the new Units to be issued under the IDRP upon receiving all relevant approvals for the IDRP;

**“Registered Unitholder(s)”** shall mean Unitholders who have registered with BSIP Online;

**“Registrar”** shall mean Boardroom Share Registrars Sdn Bhd;

**“Remaining Portion”** shall mean the remaining portion of the Income Distribution after deducting the Electable Portion, where applicable;

**“RM”** shall mean Ringgit Malaysia, being the lawful currency of Malaysia;

**“Rules”** shall mean Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia, as amended, supplemented and/or modified from time to time;

**“Trustee”** shall mean RHB Trustees Berhad, being the trustee for Axis-REIT;

**“Unitholders”** shall mean holders of the Units;

**“Units”** shall mean undivided interest in Axis-REIT;

**“VWAMP”** shall mean volume weighted average market price; and

**“%” or “per cent”** shall mean percentage or per centum.

### **3. Eligibility**

All Unitholders are eligible to participate in the IDRP, subject to the restrictions on Unitholders having registered addresses outside Malaysia as at the Book Closure Date, and further subject to the requirement that such participation will not result in a breach of any restrictions in respect of the Unitholders’ holdings of the Units which may be imposed by any contractual obligations of the Unitholders, or by statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be or as prescribed in the Deed.

### **4. Overseas Unitholders**

To avoid any violation on the part of the Manager of any securities laws applicable outside Malaysia, documents relating to the IDRP, i.e. the Notice of Election and its accompanying IDRFP (collectively referred to as the **“IDRP Documents”**) will not be made available in any country other than Malaysia. No Overseas Unitholder shall have any claim whatsoever against the Fund and the Manager as a result of the IDRFP Documents not being sent to such Overseas Unitholder. Overseas Unitholders who receive or come to have in their possession any of the IDRFP Documents may not treat the same as being applicable to them (except where the IDRFP Documents are collected from the Registrar in the manner specified below) and are, in any event, advised to inform themselves of, and to observe, any prohibition and restriction, and to comply with any applicable laws and regulations relating to the IDRFP as may be applicable to them.

Overseas Unitholders who wish to change their addresses for service of documents to addresses in Malaysia should inform their respective stockbrokers to effect the change of address. Such notification should be done no later than 3 Market Days prior to the Book Closure Date for the Income Distribution to which the IDRP will apply.

Overseas Unitholders who wish to participate in the IDRP, may collect the IDRP Documents from the office of the Registrar at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, or at such address in Malaysia as may be determined by the Manager from time to time and the Registrar, in such event, is entitled to satisfy itself as to the identity and authority of the person collecting the IDRP Documents. Alternatively, and for the purposes of receiving the IDRP Documents only, Overseas Unitholders may provide the Registrar with their respective address in Malaysia no later than 3 Market Days prior to the Book Closure Date for the Income Distribution to which the IDRP will apply.

Overseas Unitholders will be solely responsible for seeking advice as to the laws of any jurisdiction that they may be subject to, and a participation by the Overseas Unitholders in the IDRP will be on the basis that they may lawfully so participate in the IDRP without the Manager, its Directors, employees, Registrar and/or its advisers being in breach of the laws of any jurisdiction.

## **5. Level of participation**

A Unitholder may elect to participate in the IDRP to the extent of the Electable Portion in respect of his/her/its holding of the Units as at the Book Closure Date to which each Notice of Election received by him/her/it relates.

## **6. Mode of election to participate**

### **6.1 Manual through submission of the IDRDF**

The Manager will, at its discretion, send to each Unitholder a Notice of Election in relation to each CDS account held by the Unitholder. To be effective in respect of any Electable Portion to which a Notice of Election relates, an IDRDF must be duly completed and signed by the Participating Unitholder as to the confirmation of his/her/its election to reinvest the Electable Portion into new Units and must be received by the Registrar no later than the Expiry Date.

A Unitholder receiving more than 1 Notice of Election has the option whether or not to exercise all the Notices of Election received. A Unitholder wishing to reinvest the entire Electable Portion or part thereof (to which a Notice of Election relates) into new Units must ensure that the relevant IDRDF contained in that Notice of Election is duly completed, signed and returned to the Registrar no later than the Expiry Date.

An IDRDF in respect of any Electable Portion shall not, upon its receipt by the Registrar, be withdrawn or cancelled.

The Manager and/or the Registrar have the discretion and right to accept or reject any IDRDF that is incomplete, contains errors, illegible or is otherwise defective.

Multiple submissions of the IDRDF in hard copy in relation to the same CDS account, or those appearing to be, or suspected of being multiple submissions in relation to the same CDS account, may be rejected at the discretion of the Manager and/or the Registrar, and such Participating Unitholders shall be treated as having elected to receive their Electable Portion in cash.

By electing to participate in the IDRP, the Participating Unitholder unconditionally:

- (a) warrants to the Manager and the Trustee that he/she/it has the legal right and full power and authority to participate in the IDRP and that his/her/its participation in the IDRP will not result in a breach of the Deed, any law or regulation or contractual obligation by which it is bound;
- (b) acknowledges that the determination by the Manager and/or the Registrar on whether to accept or reject the Participating Unitholder's Notice of Election is final and conclusive and agrees that the Manager and the Registrar need not provide any reason therefor;
- (c) acknowledges that the Manager and the Trustee have not provided the Participating Unitholder with investment advice or any other advice;
- (d) agrees to the Terms and Conditions and agrees not to do any act or thing which would be contrary to the intention or purpose of the IDRP; and
- (e) submits to the jurisdiction of the courts of Malaysia, in each case, at all times.

## **6.2 Instructions, terms and conditions on submission of the e-IDRF via BSIP Online**

Unitholders who wish to exercise their Electable Portion electronically may do so through BSIP Online at <https://investor.boardroomlimited.com>. To use the electronic services to exercise their Electable Portion, Unitholders are required to do a one-time registration (at no charge) as a user with BSIP Online.

Unitholders are advised to read the instructions as well as the terms and conditions of the electronic election before making an election electronically.

Electronic election via BSIP Online is available to Individual Unitholders, Corporation, Institutional and Nominee Unitholders.

Participating Unitholders who wish to opt for electronic election via BSIP Online shall take note of the following instructions:

- (a) any electronic election of Electable Portion (or a portion thereof) received by the Registrar after the Expiry Date shall be regarded as null and void and of no legal effect unless the Board, in its absolute discretion, determines otherwise and such Registered Unitholder who is entitled to the Income Distribution based on his/her entitlement on the Book Closure Date, as the case may be, shall be deemed to have elected to receive the Electable Portion wholly in cash. An electronic election of the Electable Portion (or a portion thereof), once received by the Registrar from the Participating Unitholder, is irrevocable and shall be binding on him/her;
- (b) accordingly, for each CDS account, the Registered Unitholder can elect to exercise the Electable Portion in whole or part thereof as stipulated in his/her entitlement to the IDRP or if the Registered Unitholder does not so elect, he/she will receive the Electable Portion wholly in cash;
- (c) multiple electronic submissions in relation to the same CDS account, or those appearing to be, or suspected of being multiple submissions in relation to the same CDS account, may be rejected at the discretion of the Manager and/or the Registrar, and such Registered Unitholders shall be treated as having elected to receive their Electable Portion wholly in cash;

- (d) the electronic election of the Electable Portion (or a portion thereof) made must be in accordance with the notes and instructions in BSIP Online, this Statement and the Notice of Election. Any such electronic election submitted that does not conform to the terms of BSIP Online, this Statement and the Notice of Election may not be accepted at the discretion of the Manager and/or the Registrar. The Manager and/or the Registrar reserves the right, in its absolute discretion, to reject any electronic election which is incomplete and/or incorrectly completed, and such Registered Unitholder shall be treated as having elected to receive their Electable Portion wholly in cash;
- (e) the number of new Units available under the Electable Portion (or a portion thereof) set out in the Notice of Election has been computed based on the Registered Unitholder's unitholding as stated in the Record of Depositors as at the Book Closure Date. The Participating Unitholder is required to select his/her reinvestment option in exercising his/her participation in the IDRP;
- (f) the Participating Unitholder will need to pay a stamp duty of RM10.00 and a handling fee of RM5.00 for Individual/Corporate/Institutional/Nominee Registered Unitholder which is payable to the Registrar for each e-IDRF submitted via BSIP Online using the online payment gateway through Financial Process Exchange (FPX) at BSIP Online.

Effective 1 January 2024, the Inland Revenue Board of Malaysia (“IRBM”) has terminated the usage of revenue stamps as a stamping method at all IRBM stamping duty counters and district stamping offices. In connection thereto, the application and payment of stamp duty of RM10.00 for the Income Distribution Reinvestment Plan is to be performed online via the IRBM system namely, STAMPS at <https://stamps.hasil.gov.my/stamps/>. Thereafter, a stamp certificate will be issued via STAMPS as proof of payment of stamp duty.

**IF YOU ELECT TO PARTICIPATE IN THE IDRP VIA PHYSICAL SUBMISSION OF THE COMPLETED HARDCOPY IDRf, YOU MUST ATTACH A COPY OF THE STAMP CERTIFICATE TO THE COMPLETED IDRf BEFORE SUBMITTING THE COMPLETED IDRf TO THE REGISTRAR, FAILING WHICH YOUR APPLICATION WILL BE REJECTED WITHOUT NOTIFICATION FROM THE REGISTRAR.**

If the Participating Unitholder is a holder of a CDS account with a total unitholding below 16,000 Units, the stamp duty will be absorbed and borne by the Fund and such Participating Unitholder will only be required to pay the handling fee of RM5.00; and

- (g) the new Units arising from the Electable Portion (or a portion thereof) will be issued and credited into the Participating Unitholder's CDS account as stated in the Record of Depositors as at the Book Closure Date.

The procedures to exercise the Electable Portion electronically and submit e-IDRF via BSIP Online are set out below:

**(i) Sign up as a user of BSIP Online (for first time registration only)**

**Individual Unitholders**

- (a) Access into BSIP Online at <https://investor.boardroomlimited.com>.
- (b) From the BSIP Online webpage, select “**Register**” to sign up as a new user for BSIP Online.
- (c) On the registration page, fill in all necessary and required information. Upload and attach your National Registration Identity Card (NRIC) front and back image. After entering all necessary information, click “**Register**”.
- (d) You will receive an e-mail from BSIP Online for e-mail address verification. Click on “**Verify E-mail Address**” from the e-mail received to proceed with the registration.



- (e) Once your email address is verified, you will be re-directed to BSIP Online for verification of your mobile number. Click on **“Request OTP Code”** and an OTP code will be sent to the registered mobile number. You will need to enter the OTP code and click **“Enter”** to complete the process.
- (f) Once your mobile number is verified, registration of your new BSIP Online account will be pending for final verification.
- (g) An e-mail will be sent to you to inform the approval of your BSIP Online account within three business days. Subsequently, you can login at <https://investor.boardroomlimited.com> with the e-mail address and password filled up by you during registration.

#### **Corporate / Institutional / Nominee Registered Unitholder**

- (a) Access BSIP Online at <https://investor.boardroomlimited.com>.
- (b) From the BSIP Online webpage, select **“Register”** and sign up as a **‘Corporate Unitholder’** for BSIP Online.
- (c) On the registration page, fill in all necessary and required information. Upload and attach the front and back image of your corporate representative’s NRIC.
- (d) Complete your registration by uploading the relevant supporting document(s)(if any) in the **‘Authorization Letter’** section and clicking on **“Register”**.
- (e) Your corporate representative will receive an e-mail from BSIP Online for e-mail address verification. To proceed with the registration, click on **“Verify e-mail address”** in the e-mail received.
- (f) Once your corporate representative’s e-mail address is verified, you will be re-directed to BSIP Online to verify your mobile number. Click on **“Request OTP Code”** to receive your OTP code via your registered mobile number. You will need to enter the OTP code and click on **“Enter”** to complete the process.
- (g) Once your mobile number is verified, registration of your new BSIP Online account will be pending for final verification.
- (h) You will receive an approval e-mail for the successful registration of your BSIP Online account within three business days. Subsequently, you will be able to login to your account at <https://investor.boardroomlimited.com> with the e-mail address and password provided by you during registration.

#### **(ii) Procedures to exercise the Electable Portion electronically via BSIP Online**

##### **Individual / Corporate / Institutional Registered Unitholder**

- (a) Login to BSIP Online at <https://investor.boardroomlimited.com>.
- (b) Select **“Corporate Action”** and click **“Enter”** on **“AXIS REAL ESTATE INVESTMENT TRUST - Income Distribution Reinvestment Plan”** from the table.
- (c) Go to your CDS Account and then click **“Select”**.
- (d) Read and agree to the Terms & Conditions, check on Declaration and then click **“Next”**.
- (e) Review your information, select your reinvestment option and click **“Proceed To Payment Summary”**.

- (f) A summary of the service charges will appear on the screen, including a handling fee of RM5.00 and a stamp duty of RM10.00 per unitholder. Review the payment summary information and click **“Confirm & Proceed To Pay”** to proceed with submission.
- (g) Once re-directed to the payment gateway, proceed to select your online banking service. You will need to login into your online bank account and proceed to complete the required payment.
- (h) Once you have completed the payment, click **“Return to Merchant’s Page”** and you will be re-directed back to BSIP Online.
- (i) You may print or download the submission report for your record.

#### **Nominee Registered Unitholder**

- (a) Login into BSIP Online at <https://investor.boardroomlimited.com>.
- (b) Select **“Corporate Action”** and click on **“Enter”** on **“AXIS REAL ESTATE INVESTMENT TRUST - Income Distribution Reinvestment Plan”** from the table.
- (c) Select **“Submit IDR Form”**.
- (d) Read and agree to the “Terms & Conditions” and “Declaration”. Thereafter, click **“Next”**.
- (e) Proceed to download the entitlement file.
- (f) Review the respective CDS account details and its Electable Portion, then fill up the number of Units to be reinvested.
- (g) Select the file to upload and click **“Submit”**.
- (h) Review your information and insert your election amount and click **“Proceed to Payment Summary”**.
- (i) Review the payment summary details, which include a handling fee of RM5.00 per beneficial owner (BO) and a stamp duty of RM10.00 per BO. The system will automatically calculate the total amount to be paid based on the number of BOs.
- (j) Review the payment summary information and click on **“Confirm & Proceed to Pay”** to proceed with submission.
- (k) Once re-directed to payment gateway, proceed to select your online banking service. You will need to login to your online bank account and proceed to complete the required payment.
- (l) Once you have completed the payment, click **“Back to Merchant Page”** and you will be re-directed back to BSIP Online.
- (m) You may print or download the submission report for your record.

The electronic election made via BSIP Online shall be made on and subject to the Terms and Conditions and those appearing herein:

- (a) by electing the Electable Portion (or a portion thereof) via BSIP Online, the Registered Unitholder, if successful, requests and authorises Bursa Depository to credit the new Units allotted to the Participating Unitholder into his/her CDS account as stated in the Record of Depositors as at the Book Closure Date;
- (b) this Statement, the e-IDRF and the Terms and Conditions shall be governed by, and construed in accordance with the laws of Malaysia and the Registered Unitholders shall be deemed to have irrevocably and unconditionally submitted to the exclusive jurisdiction of the courts of Malaysia in respect of any matters in connection with and/or relating to the IDRP;
- (c) the Registered Unitholder's confirmation for the number of new Units elected for under the Electable Portion (or a portion thereof) shall signify and be treated as the Participating Unitholder's acceptance of the new Units allotted to him/her pursuant to the Electable Portion (or a portion thereof);
- (d) the Registered Unitholder acknowledges that his/her election made via BSIP Online is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of the Manager or the Registrar and hereby irrevocably agrees that if the Manager or the Registrar does not receive the Registered Unitholder's election via BSIP Online or data relating to his/her election is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to the Manager or the Registrar by the Expiry Date, the Registered Unitholder shall be deemed not to have made an election and he/she shall not make any claim whatsoever against the Manager or the Registrar for the new Units subscribed for or for any compensation, loss or damage relating to the subscription of the IDRP;
- (e) all particulars of the Registered Unitholder including his/her nationality and place of residence, in the records of the relevant internet participating financial institution at the time the Registered Unitholder makes his/her election via BSIP Online shall be taken as true and correct, and the Manager or the Registrar shall be entitled to rely on the accuracy thereof;
- (f) the Registered Unitholder must inform Bursa Depository promptly of any change in address, failing which the notice of allotment will be sent to his/her correspondence address last maintained with Bursa Depository;
- (g) the electronic election will not be successfully completed and cannot be recorded as a completed transaction at the screen of BSIP Online unless the Registered Unitholder completes all the steps required. By doing so, the Registered Unitholder shall be deemed to have confirmed the agreement and compliance with all the terms and conditions of BSIP Online; and
- (h) by making and completing an electronic election via BSIP Online, the Registered Unitholder agrees that:
  - (1) in consideration of the Manager agreeing to allow and accept the Participating Unitholder's election under the IDRP via BSIP Online at his/her respective internet services website, his/her election is irrevocable and cannot be subsequently withdrawn or cancelled;
  - (2) the Manager and/or the Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to his/her electronic election due to a breakdown or failure of transmission or communication facilities or to any cause beyond the Manager's and/or the Registrar's control;

- (3) in relation to any legal action, proceedings or dispute arising out of or in relation with the contract between the parties and/or BSIP Online and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that the Participating Unitholder irrevocably submits to the jurisdiction of the courts of Malaysia;
- (4) the Registrar, on the authority of the Manager, reserves the right to reject electronic election which does not conform to these instructions;
- (5) any election made via BSIP Online that does not comply with the Terms and Conditions shall be treated as invalid;
- (6) should the Registered Unitholder fails to meet or comply with the Terms and Conditions or fails to accurately provide the information required, the Manager and/or the Registrar has the absolute and unfettered right to reject the Participating Unitholder's electronic election under the IDRPs;
- (7) in the event the Manager and/or the Registrar rejects the electronic election or exercises its discretion to accept the electronic election made notwithstanding the non-compliance with any or all of the Terms and Conditions, the Manager and/or the Registrar shall be absolved from any or all forms of liabilities, losses, damages, costs and claims that may be incurred or suffered by them as a result thereof;
- (8) the Manager and/or the Registrar reserves the right not to accept or accept any electronic election made under the IDRPs via BSIP Online, in part or in full without assigning reason;
- (9) any invalid or rejected electronic election shall be treated as having elected to receive the Income Distribution entitlement wholly in cash; and
- (10) he/she acknowledges that the Manager and the Trustee have not provided the Participating Unitholder with investment advice or any other advice.

For income tax purposes, a Unitholder is regarded as having received a cash distribution equivalent to the amount of the Income Distribution and will not be relieved from any income tax obligation (if applicable) or receive any tax advantage, irrespective of the mode of election selected by a Participating Unitholder or if a Unitholder elects to receive the entire Electable Portion in cash. As such, a tax voucher will be issued and sent to all the Unitholders.

## **7. Extent of application of IDRPs to each Electable Portion**

The Board may determine, in its absolute discretion, in respect of any Income Distribution, whether the IDRPs shall apply and if so, whether it is for the whole or a portion of the Income Distribution. If, in its absolute discretion, the Board has not determined that the IDRPs is to apply to a particular Income Distribution, such Income Distribution shall be paid in cash to Unitholders in accordance with the current mode of payment.

## **8. Unit entitlement**

By electing to participate in the IDRPs, the Participating Unitholder elects to either (a) receive the Electable Portion in cash; (b) reinvest the entire Electable Portion into new Units credited as fully paid-up at an issue price to be determined on the Price-Fixing Date; or (c) receive part of the Electable Portion in cash, and to reinvest the remaining part of the Electable Portion in new Units credited as fully paid-up at an issue price to be determined on the Price-Fixing Date in the proportion to be determined by the Board in its absolute discretion as it deems fit, in respect of any Electable Portion to which such Notice of Election relates.

The formula for the calculation of the number of new Units to be allotted and issued to the Participating Unitholder in respect of any Electable Portion to which a Notice of Election relates, is as follows:

$$N = \frac{S \times D \times F}{V}$$

Where:

N = is the number of new Units to be allotted and issued as fully paid-up to the Participating Unitholder in respect of such Notice of Election.

S = is the number of Units held by the Participating Unitholder as at the Book Closure Date as stated in the Notice of Election.

D = is the Electable Portion (net of withholding tax, if applicable), being the proportion of an Income Distribution which the Board has determined that the IDRP applies.

F = in the case where the Participating Unitholder elects to receive the entire Electable Portion in cash, F is 0%; or in the case where the Participating Unitholder elects to reinvest the entire Electable Portion in new Units, F is 100%; or in the case where the Participating Unitholder elects to reinvest part of the Electable Portion into new Units, F is the proportion of the total amount of the Electable Portion (net of withholding tax, if applicable) expressed in %, which the Board has determined that may be reinvested in new Units.

V = is the issue price of a new Unit for the purpose of the IDRP, which shall not be more than 10% discount to the 5-day VWAMP of the Units up to and including the last trading date prior to the Price-Fixing Date as determined by the Board, of which the 5-day VWAMP shall be adjusted ex-Income Distribution before applying the aforementioned discount in fixing the issue price.

**Note:**

\* *Total amount of the Electable Portion (net of withholding tax, if applicable), expressed in RM = S x D.*

Any fractional entitlement of new Units computed in accordance with the above formula will be paid in cash to the Participating Unitholder in accordance with the current mode of payment.

## 9. Odd lots

A Unitholder who elects to reinvest the entire Electable Portion (or part thereof) into new Units to which his/her/its Notice of Election relates, may receive such new Units in odd lots. Unitholders who receive odd lots of new Units and who wish to trade such odd lots on Bursa Securities should do so on the odd lot market, which allows trading of odd lots with a minimum of 1 Unit.

## 10. Terms of allotment

Unless the Board determines otherwise, all new Units allotted under the IDRP will be allotted as fully paid-up. All such new Units shall, upon allotment and issue, rank equally in all respects with the existing Units, except that the new Units will not be entitled to any Income Distribution, rights, benefits, entitlement and/or any other distributions, the entitlement date of which is prior to the Allotment Date.

As the new Units to be issued under the IDRP are prescribed securities, the new Units will be credited directly into the respective CDS accounts of the Participating Unitholders. No physical certificates will be issued.

#### **11. Notification letters to Participating Unitholders**

Within 8 Market Days from the Expiry Date or such date as may be prescribed by Bursa Securities, Axis-REIT will allot and issue the new Units under the IDRP. Notices of allotment to the Participating Unitholders will be despatched by ordinary mail to the Unitholders' registered address last maintained with Bursa Depository at their own risk. Concurrently on the Allotment Date, the Remaining Portion and the Electable Portion (where the Unitholders has elected to receive the entire Electable Portion in cash or part of the Electable Portion in cash), as the case may be, will be paid to the respective Unitholders in accordance with the current mode of payment and the tax voucher for such Income Distribution will be despatched to the Unitholders who are entitled to such Income Distribution. An announcement will also be made on the listing of the new Units to be issued under the IDRP on the Main Market of Bursa Securities.

#### **12. Cost to the Participating Unitholders**

Under the present laws of Malaysia, there is no brokerage or other material transaction costs payable on the new Units allotted and issued under the IDRP, save for the stamp certificate of RM10.00 which has to be attached together to each hard copy IDRf. In the event a Participating Unitholder confirms his/her election via BSIP Online, he/she will be required to pay stamp duty of RM10.00 and a handling fee of RM5.00 for Individual/Corporate/Institutional/Nominee Registered Unitholder which is payable to the Registrar for each e-IDRF submitted via BSIP Online.

In the Manager's effort to enhance the attractiveness of the IDRP, the Fund will absorb and bear the stamp duty of RM10.00 (except any applicable handling fees) for each IDRf or e-IDRF executed for election under the IDRP in respect of securities account holders of less than 16,000 Units.

#### **13. Cancellation of application of the IDRP**

Notwithstanding any provision of the IDRP, if at any time after the Board has determined that the IDRP shall apply to any Income Distribution and before the Allotment Date in respect of the Electable Portion, the Board shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever, it is no longer expedient or appropriate to implement the IDRP in respect of the Electable Portion, the Board may, in its absolute discretion and as it deems fit in the interest of the Fund and without assigning any reason thereof, cancel the application of the IDRP in relation to the Electable Portion. In such an event, the Electable Portion shall be paid entirely in cash to Unitholders in accordance with the current mode of payment.

#### **14. Modification, suspension and termination of the IDRP**

Save for any requirement or provision imposed by any statute, laws or regulation in force in Malaysia, as the case may be, the IDRP and the Terms and Conditions may be modified, suspended (in whole or in part) or terminated at any time by the Board as it deems fit and such development shall be communicated through an announcement to Bursa Securities.

In the case of a suspension, the IDRP will be suspended (in whole or in part, as the case may be) until such time as the Board may resolve to recommence or terminate the IDRP.

## 15. General administration of the IDRP

The Board may implement the IDRP in the manner as it deems fit. The Board has the power to:

- (a) determine the procedures, rules and regulations for administration of the IDRP which are consistent with the Terms and Conditions as well as to amend the Terms and Conditions;
- (b) settle in such manner as it thinks fit any difficulty, anomaly or dispute (including relating to the interpretation of any provision, regulation or procedure or as to any rights under the IDRP) which may arise in connection with the IDRP, whether generally or in relation to any Participating Unitholder or any Units and the determination of the Board will be conclusive and binding on all Unitholders and other persons to whom the determination relates;
- (c) delegate to any 1 or more persons, for such period and on such conditions as the Board may determine, the exercise of any of its powers or discretion under or in respect of the IDRP and references to a decision, opinion or determination of the Board include a reference to the decision, opinion or determination of the person or persons to whom the Board has delegated its authority for the purposes of administering the IDRP; and
- (d) waive strict compliance with any of the Terms and Conditions.

## 16. Take-over implications

The attention of Unitholders is drawn to Paragraph 4.01, Part B of the Rules and Section 217 of the Capital Markets and Services Act, 2007. In particular, a Unitholder should note that he/she/it may be under an obligation to extend a mandatory take-over offer for the Units not already owned by him/her/it and persons acting in concert with him/her/it (collectively, "**Affected Parties**"), if by electing to reinvest part of or the entire Electable Portion into new Units:

- (i) the Affected Parties have obtained control via the acquisition or unitholding of, or entitlement to exercise or control the exercise of more than 33% of the voting Units or voting rights in the Fund, or such other amount as may be prescribed in the Rules; or
- (ii) the Affected Parties acquire more than 2% of the voting Units or voting rights of the Fund in any period of 6 months, and the Affected Parties hold more than 33% but not more than 50% of the voting Units or voting rights of the Fund during the aforementioned 6-month period, or such other unitholding percentage as may be prescribed in the Rules.

In the event an obligation to undertake a mandatory take-over offer is expected to arise resulting from a Unitholder's participation in the IDRP, the Affected Parties may make the necessary application to the Securities Commission Malaysia to be granted an exemption from the obligation to undertake a mandatory take-over offer pursuant to the Rules before electing to reinvest the Electable Portion (or part thereof) into new Units to avoid having to undertake a mandatory take-over offer.

**The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Rules or other relevant legislation or regulations. Unitholders who are in doubt as to whether they would incur any obligation to extend a take-over offer under the Rules as a result of any subscription of Units through their participation in the IDRP are advised to consult their professional advisers at the earliest opportunity.**

## **17. Disclaimer**

Notwithstanding any other provisions, the Board and the Fund including the Trustee and its respective directors, officers, employees, agents, affiliates and representatives, shall not, under any circumstance, be held liable for any damage, cost, loss and expense whatsoever and howsoever arising or incurred or suffered by any person including any Unitholder arising out of and/or in connection with the IDRP including, but not limited to:

- (a) any obligation of any Unitholder to undertake a mandatory offer as a result of the IDRP;
- (b) a breach of any restrictions on any Unitholder's holding of Units which may be imposed by the Unitholder's contractual obligations, or by statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities; and
- (c) any losses suffered by any Unitholder due to changes in prices of the Units or the quantum of future Income Distribution after the implementation of the IDRP.

## **18. Governing law**

This Statement, the IDRP and the Terms and Conditions shall be governed by and construed in accordance with the laws of Malaysia.

## **19. Notices and statements**

Unless otherwise provided in the Terms and Conditions, any notices, documents and statements required to be given by the Fund and/or the Manager to a Participating Unitholder shall be given in accordance with the applicable provisions of the Deed.

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