

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF PARADIGM REAL ESTATE INVESTMENT TRUST (“PARADIGM REIT”) DATED 16 MAY 2025 (“ELECTRONIC PROSPECTUS”)

(Unless otherwise indicated, specified or defined in this notice, the definitions in the Electronic Prospectus shall apply throughout this notice)

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad’s (“**Bursa Securities**”) website at www.bursamalaysia.com (“**Website**”).

Availability and Location of Printed Prospectus

Any investor in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Manager, Paradigm REIT Management Sdn Bhd, or the Issuing House, Malaysian Issuing House Sdn Bhd. Alternatively, the investor may obtain a paper/printed copy of the Prospectus, subject to availability, from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

Prospective investors should note that the Application Forms are not available in electronic format.

Jurisdictional Disclaimer

The Offering and the distribution of the Electronic Prospectus are subject to the laws of Malaysia. The Electronic Prospectus will not be distributed outside Malaysia. Bursa Securities, the Manager, the Sponsor, the Selling Subsidiaries, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters named in the Electronic Prospectus have not authorised and take no responsibility for the distribution of the Electronic Prospectus outside Malaysia. No action has been taken to permit any offering of the Units based on the Electronic Prospectus in any jurisdiction other than Malaysia. The Electronic Prospectus may not be used for the purpose of and does not constitute an offer for the subscription or purchase of, or an invitation to subscribe for or purchase, the Units to any person outside Malaysia or in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. Prospective investors who may be in possession of the Electronic Prospectus are required to take note, to inform themselves, and to observe such restrictions.

Close of Application

Applications for the Offer Units offered under the Retail Offering will open at 10.00 a.m. on 16 May 2025 and will close at 5.00 p.m. on 23 May 2025. Any change to the timetable will be announced by way of advertisement in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users’ access to the Website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained on the Website.

The contents of the Electronic Prospectus are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.



PARADIGM REAL ESTATE INVESTMENT TRUST

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PROSPECTUS

PROSPECTUS



PARADIGM REAL ESTATE INVESTMENT TRUST ("PARADIGM REIT")

(A REAL ESTATE INVESTMENT TRUST CONSTITUTED IN MALAYSIA UNDER THE DEED DATED 11 MARCH 2025 AND REGISTERED WITH THE SECURITIES COMMISSION MALAYSIA ("SC") ON 13 MARCH 2025, ENTERED INTO BETWEEN PARADIGM REIT MANAGEMENT SDN BHD (REGISTRATION NO: 201901023858 (1333187-V)) ("MANAGER") AND RHB TRUSTEES BERHAD (REGISTRATION NO: 200201005356 (573019-U)) ("TRUSTEE"), BOTH COMPANIES INCORPORATED UNDER THE LAWS OF MALAYSIA)

THE OFFERING OF 560,000,000 UNITS IN PARADIGM REIT ("UNITS") ("OFFER UNIT(S)") COMPRISING:

(A) RETAIL OFFERING OF UP TO 254,657,500 UNITS IN PARADIGM REIT CONSISTING OF THE FOLLOWING:

- 194,862,500 OFFER UNITS ("RESTRICTED OFFER UNITS"), TO THE ENTITLED SHAREHOLDERS OF WCT HOLDINGS BERHAD ("WCTH") ("ENTITLED WCTH SHAREHOLDERS") ON THE BASIS OF 1 RESTRICTED OFFER UNIT FOR EVERY 8 EXISTING ORDINARY SHARES IN WCTH HELD BY THE ENTITLED WCTH SHAREHOLDERS ON THE ENTITLEMENT DATE ("RESTRICTED OFFERING");
- 27,795,000 OFFER UNITS, TO THE ELIGIBLE DIRECTORS AND EMPLOYEES (AS DEFINED HEREIN) ("RESTRICTED PINK FORM OFFERING"); AND
- 32,000,000 OFFER UNITS, FOR APPLICATION BY THE MALAYSIAN PUBLIC OF WHICH 16,000,000 UNITS ARE RESERVED FOR APPLICATION BY THE BUMIPUTERA PUBLIC ("PUBLIC OFFERING"),

AT THE RETAIL PRICE OF RM1.00 PER UNIT PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO REFUND OF THE DIFFERENCE BETWEEN THE RETAIL PRICE AND THE FINAL RETAIL PRICE (AS DEFINED HEREIN) IF THE FINAL RETAIL PRICE IS LESS THAN THE RETAIL PRICE; AND

(B) INSTITUTIONAL OFFERING OF AT LEAST 305,342,500 UNITS IN PARADIGM REIT COMPRISING OF THE FOLLOWING:

- 200,000,000 UNITS ARE RESERVED FOR BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY OF MALAYSIA; AND
- THE REMAINING 105,342,500 UNITS TO THE OTHER INSTITUTIONAL INVESTORS AND SELECTED INVESTORS,

AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING ("INSTITUTIONAL PRICE"),

IN CONNECTION WITH THE LISTING OF AND QUOTATION FOR 1,600,000,000 UNITS ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES").

Manager



PARADIGM REIT MANAGEMENT SDN BHD
(Registration No: 201901023858 (1333187-V))

Principal Adviser, Lead Bookrunner, Joint Bookrunner,
Sole Managing Underwriter and Joint Underwriter



Investment Bank

Company Registration No. 197301002412
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Joint Bookrunners and Joint Underwriters (in alphabetical order)



AMINVESTMENT BANK BERHAD
(Registration No. 197501002220 (23742-V))
(A Participating Organisation of
Bursa Malaysia Securities Berhad)



CGS INTERNATIONAL SECURITIES
MALAYSIA SDN BHD
(Registration No. 197901004504 (48703-W))
(A Participating Organisation of
Bursa Malaysia Securities Berhad)

Trustee



RHB TRUSTEES BERHAD
(Registration No: 200201005356 (573019-U))

Financial Adviser



NEWFIELDS ADVISORS SDN BHD
(Registration No. 199401010372 (296051-V))

Joint Bookrunner



RHB INVESTMENT BANK BERHAD
(Registration No. 197401002639 (19663-F))
(A Participating Organisation of
Bursa Malaysia Securities Berhad)

NO UNITS WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 12 MONTHS FROM THE DATE OF THIS PROSPECTUS.

THE SC HAS APPROVED THE ESTABLISHMENT AND LISTING OF PARADIGM REIT ON THE MAIN MARKET OF BURSA SECURITIES UNDER SECTION 214(1) OF THE CAPITAL MARKETS AND SERVICES ACT 2007 ("CMSA"), THE APPOINTMENT OF THE MANAGER AS THE MANAGEMENT COMPANY OF PARADIGM REIT UNDER SECTION 289(2) OF THE CMSA, AND THE RESULTANT UNITHOLDING STRUCTURE OF PARADIGM REIT UNDER THE BUMIPUTERA EQUITY REQUIREMENT FOR PUBLIC LISTED COMPANIES PURSUANT TO THE ESTABLISHMENT OF PARADIGM REIT AND THE LISTING, AND A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED BY AND LODGED WITH THE SC.

THE APPROVAL, AND REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS PARADIGM REIT OR ASSUME RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE UNITS BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE MANAGER RESPONSIBLE FOR PARADIGM REIT AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS THE INVESTORS MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

THE VALUATION UTILISED FOR THE PURPOSE OF THE PROPOSALS, IN RELATION TO THE LISTING OF PARADIGM REIT, SUBMITTED TO AND APPROVED BY THE SC SHOULD NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SC ON THE VALUE OF THE SUBJECT PROPERTIES FOR ANY OTHER PURPOSE.

ADMISSION TO THE OFFICIAL LIST ON THE BURSA SECURITIES IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE OFFERING, PARADIGM REIT OR ITS UNITS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE SECTION 5 "RISK FACTORS" OF THIS PROSPECTUS.

THIS PROSPECTUS IS DATED
16 MAY 2025 AND WILL
EXPIRE ON 15 MAY 2026

All terms used are defined under “Definitions” and “Presentation of Financial, Market, Industry and Other Information”, commencing on pages x and xxii of this Prospectus respectively.

RESPONSIBILITY STATEMENTS

The Directors, the directors of the Sponsor and the directors of the Selling Subsidiary have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement, or other facts which if omitted, would make any statement in the Prospectus false or misleading.

Maybank IB, being the Principal Adviser, the Lead Bookrunner and Joint Bookrunner and the Sole Managing Underwriter and Joint Underwriter, AmlInvestment Bank, being the Joint Bookrunner and Joint Underwriter, CGS, being the Joint Bookrunner and Joint Underwriter, and RHB Investment Bank, being the Joint Bookrunner, acknowledge that, based on all available information, and to the best of their knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Offering.

The Directors and the directors of the Sponsor confirm that the bases and assumptions relied on in the preparation of the Profit Forecast for the inclusion in this Prospectus are reasonable. Maybank IB, being the Principal Adviser, the Lead Bookrunner and Joint Bookrunner and the Sole Managing Underwriter and Joint Underwriter, is satisfied that the bases and assumptions relied on in the preparation of the Profit Forecast are reasonable.

NOTICE TO INVESTORS AND ADDITIONAL STATEMENTS

Investors should note that they may seek recourse under the CMSA for breaches of securities laws and regulations including any statement in this Prospectus that is false, misleading, or from which there is a material omission, or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to Paradigm REIT.

Securities listed on Bursa Securities are offered to the public on the premise of full and accurate disclosure of all material information concerning the issue for which any person set out in Section 236 of the CMSA, e.g. directors and advisers, are responsible.

Bursa Securities’ approval for the admission of all the Units to be issued to the Official List of the Main Market and for the listing of and quotation for all the 1,600.0 million Units as well as the 20.0 million Units to be issued as part payment of the Management Fees on a staggered basis, was obtained on 14 April 2025.

Investors should note that any agreement by the Joint Underwriters to underwrite the Units under the Retail Offering is not to be taken as an indication of the merits of the Units being offered.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

The Manager will not, prior to acting on any acceptance in respect of the Offering, make or be bound to make any inquiry as to whether investors have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any inquiry or investigation is made in connection therewith. It shall be the investors’ sole responsibility if they are or may be subject to the laws of countries or jurisdictions other than Malaysia to consult their legal and/or other professional advisers as to whether the Offering would result in the contravention of any laws of such countries or jurisdictions.

Further, it shall also be the investors' sole responsibility to ensure that their applications for the Offering would be in compliance with the terms of the Offering and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which they may be subjected. The Manager will further assume that investors have accepted the Offering in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith.

However, the Manager reserves the right, in its absolute discretion, to treat any acceptance as invalid if the Manager believes that such acceptance may violate any law or applicable legal or regulatory requirements.

No action has been or will be taken to ensure that this Prospectus complies with the laws of any countries or jurisdictions other than the laws of Malaysia. The Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters shall not accept any responsibility or liability in the event that any application made by investors shall become illegal, unenforceable, voidable or void in any country or jurisdiction.

This Prospectus is published solely in connection with the Offering. The Units being offered in the Offering are offered solely on the basis of the information contained and representations made in this Prospectus. The Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters, or any of their respective directors or any other persons involved in the Offering. If anyone provides investors with different or inconsistent information, investors should not rely upon it. Neither the delivery of this Prospectus nor any offer, subscription, sale or transfer made hereunder shall under any circumstances imply that the information herein is correct as of any date subsequent to the date hereof or constitute a representation that there has been no change or development reasonably likely to involve a material adverse change in the affairs, conditions and prospects of Paradigm REIT, the Manager or the Units since the date of this Prospectus. Investors should take notice of such announcements and documents and upon release of such announcements and documents shall be deemed to have notice of such changes. Unless required by applicable laws, and save as provided in the responsibility statement of the Directors, the directors of the Sponsor and the directors of Selling Subsidiary as set out in this Prospectus, no representation, warranty or covenant, express or implied, is made by any of Paradigm REIT, the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the information contained herein, and nothing contained in this Prospectus is, or shall be relied upon as, a promise, representation or covenant by any of Paradigm REIT, the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters or their respective affiliates, directors, officers, employees, agents, representatives or advisers.

None of Paradigm REIT, the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers is making any representation or undertaking to any purchaser or subscriber of Units regarding the legality of an investment by such purchaser or subscriber under appropriate legal, investment or similar laws. In addition, investors in the Units should not construe the contents of this Prospectus as legal, business, financial or tax advice. Investors should be aware that they may be required to bear the financial risks of an investment in the Units for an indefinite period of time. Investors should consult their own professional advisers as to the legal, tax, business, financial and related aspects of an investment in the Units.

The distribution of this Prospectus and the offering, subscription, purchase, sale or transfer of the Units in certain jurisdiction may be restricted by law. Paradigm REIT, the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters require persons into whose possession this Prospectus comes to inform themselves about and to observe any such restrictions at their own expense and without liability to Paradigm REIT, the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters. This Prospectus does not constitute, and the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters are not making, an offer of, or an invitation to subscribe for or purchase, any of the Units in any jurisdiction in which such offer or invitation would be unlawful. Persons to whom a copy of this Prospectus has been issued shall not circulate to any other person, reproduce or otherwise distribute this Prospectus or any information herein for any purpose whatsoever nor permit or cause the same to occur.

This Prospectus is available on Bursa Securities' website at www.bursamalaysia.com.

This Prospectus has been prepared in the context of the Offering under the laws of Malaysia.

ELECTRONIC PROSPECTUS

This Prospectus can be viewed or downloaded from Bursa Malaysia Berhad's website at www.bursamalaysia.com. The contents of the electronic copy of this Prospectus and the copy of this Prospectus registered with the SC are the same.

The internet is not a fully secured medium. The internet application for the Units may be subject to risks in data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions. These risks cannot be borne by the Internet Participating Financial Institutions. If investors doubt the validity or integrity of the Electronic Prospectus, investors should immediately request from the Manager or the Issuing House, a paper/printed copy of this Prospectus. If there is any discrepancy between the contents of the Electronic Prospectus and the paper/printed copy of this Prospectus, the contents of the paper/printed copy of this Prospectus which are identical to the copy of the Prospectus registered with the SC will prevail.

In relation to any reference in this Prospectus to third-party internet sites ("**Third-Party Internet Sites**"), whether by way of hyperlinks or by way of description of the Third-Party Internet Sites, investors acknowledge and agree that:

- (i) each of the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters does not endorse and is not affiliated in any way to the Third-Party Internet Sites. Accordingly, each of the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and Joint Underwriters is not responsible for any availability of or the content or any data, information, files or other material provided on the Third-Party Internet Sites. Investors bear all risks associated with the access to or use of the Third-Party Internet Sites;
- (ii) each of the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters is not responsible for the quality of products or services in the Third-Party Internet Sites, particularly in fulfilling any terms of agreements with the Third-Party Internet Sites. Each of the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters is also not responsible for any loss or damage or cost that investors may suffer or incur in connection with or as a result of dealing with the Third-Party Internet Sites or the use of or reliance on any data, information, files or other material provided by such parties; and
- (iii) any data, information, file or other material downloaded from the Third-Party Internet Sites is done at the investors' own discretion and risk. Each of the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters is not responsible, liable or under obligation for any damage to investors' computer systems or loss of data resulting from the downloading of any such data, information, file or other material.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institutions, investors are advised that:

- (i) the Internet Participating Financial Institutions are only liable in respect of the integrity of the contents of the Electronic Prospectus, to the extent of the contents of the Electronic Prospectus on the web server of the Internet Participating Financial Institutions which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institutions are not responsible for the integrity of the contents of the Electronic Prospectus which has been obtained from the web server of the Internet Participating Financial Institution and subsequently communicated or disseminated in any manner to investors or other parties; and
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in the Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed because the internet is not a fully secure medium.

The Internet Participating Financial Institutions are not liable (whether in tort or contract or otherwise) for any loss, damage or costs, that you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in the Electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault or faults on investors' and/or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions, and/or problems occurring during data transmission which may result in inaccurate or incomplete copies of information being downloaded or displayed on investors' personal computers.

INDICATIVE TIMETABLE

An indicative timetable for the Offering is set out below:

Date and Time	Event
28 April 2025	Announcement of the Entitlement Date
14 May 2025	Entitlement Date
16 May 2025, 10.00 a.m.	Opening of the Retail Offering and the Institutional Offering
23 May 2025, 5.00 p.m.	Closing of the Retail Offering
23 May 2025, 5.00 p.m.	Closing of the Institutional Offering
27 May 2025	Price Determination Date
28 May 2025	Balloting of applications for Offer Units pursuant to the Public Offering
9 June 2025	Allotment of Offer Units to successful applicants
10 June 2025	Listing of Paradigm REIT on the Main Market

The above timetable is indicative only and is subject to change. If there is any change or extension of the abovementioned dates, it will be announced by way of advertisement in a widely circulated Bahasa Malaysia and English newspaper within Malaysia.

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DEFINITIONS

The following terms in this Prospectus bear the same meaning as set out below unless the term is defined otherwise or the context requires otherwise:

AC	: Air conditioning
Acquisitions	: Acquisitions by the Trustee (on behalf of Paradigm REIT) of the Subject Properties for a total purchase consideration of RM2,437,000,000 to be satisfied by the Consideration Units and the Cash Consideration
ADA	: Authorised Depository Agent
AEI	: Asset enhancement initiative
AEON	: AEON Co. (M) Bhd
AEON Lease Agreement	: Lease agreement dated 25 June 2024 entered into between GWSB and AEON in respect of the lease of Bukit Tinggi Shopping Centre
AmInvestment Bank	: AmInvestment Bank Berhad (Registration No. 197501002220 (23742-V))
Applicable Laws and Requirements or Relevant Laws and Requirements	: The laws, regulations, guidelines, rules and official requirements, guidance notes, practice notes (whether or not having the force of law) applicable to REITs from time to time including securities laws, the REIT Guidelines, the AVA Guidelines, the CMSP Guidelines, the Listing Requirements, the Rules of Bursa Depository and taxation laws, rulings and guidelines
Application Forms	: Printed application forms for the application for the Offer Units under the Retail Offering accompanying this Prospectus
Appraised Value	: In relation to a Subject Property, the value of that Subject Property as appraised by the Independent Property Valuer as at 18 June 2024 (in the case of Paradigm Mall PJ and Paradigm Mall JB) and 25 June 2024 (in the case of Bukit Tinggi Shopping Centre) and subsequently updated on 31 December 2024
Asset Valuation Guidelines	: Asset Valuation Guidelines issued by the SC
ATM	: Automated teller machine
Authorised Investments	: The following investments in which Paradigm REIT may invest, subject to the provisions of the REIT Guidelines: (i) Real Estate; (ii) Non-Real Estate Assets; (iii) cash, deposits and money market instruments; and (iv) any other investment not specified in (i) to (iii) above but specified as a permissible investment in the REIT Guidelines or as otherwise permitted by the SC

DEFINITIONS (Cont'd)

Average Occupancy Rate	: The aggregate month-end occupancy rate of the Subject Properties divided by the number of months in the relevant period
Average Occupied NLA	: The aggregate monthly Occupied NLA of each of the Subject Properties
Board	: Board of directors of the Manager
Book Closing Date	: The specified time and date set by the Board for the purpose of determining the Unitholders' entitlement to the Distributable Income, new Units or other distributions or entitlements
BNM	: Bank Negara Malaysia
Bukit Tinggi Shopping Centre	: A retail mall comprising 3 levels of retail area with a mezzanine floor and car park facilities at the surface, basement, elevated and rooftop level(s) along with fixtures, fittings, equipment and systems affixed and installed therein and other supporting facilities and amenities attached thereto located at No. 1, Persiaran Batu Nilam 1/KS 6, Bandar Bukit Tinggi 2, 41200 Klang, Selangor, Malaysia
Bumiputera	: In the context of: (i) individuals – Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) companies – a company which fulfils, amongst others, the following criteria or such other criteria as may be imposed by the MITI: (a) registered under the Companies Act or Companies Act, 1965 as a private company; (b) its shareholders are 100% Bumiputera; and (c) its board of directors (including its staff) are at least 51% Bumiputera; and (iii) cooperatives – a cooperative whose shareholders or cooperative members are at least 95% Bumiputera or such other criteria as may be imposed by the MITI
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Cash Consideration	: The settlement of the balance of the total purchase consideration for the Acquisitions of RM837,000,000 in cash
CDS	: Central Depository System

DEFINITIONS (Cont'd)

CDS Account	: An account established by Bursa Depository for a depositor for the recording of the deposit of securities and for dealing in such securities by the depositor
CGS	: CGS International Securities Malaysia Sdn Bhd (Registration No. 197901004504 (48703-W))
CIS Prospectus Guidelines	: Prospectus Guidelines for Collective Investment Schemes issued by the SC
Clawback and Reallocation	: The clawback and reallocation provision as set out in Section 3.4.3 of this Prospectus
CMSA	: Capital Markets and Services Act, 2007
CMSL	: Capital markets services licence granted by the SC to carry out the regulated activity of fund management in relation to asset management restricted to REITs
CMSP Guidelines	: Guidelines on the Registration and Conduct of Capital Market Services Providers issued by the SC
Companies Act	: Companies Act, 2016
Consideration Units	: The 1,600,000,000 new Units to be issued at an issue price of RM1.00 per Unit as part satisfaction of the total purchase consideration for the Acquisitions which shall be deemed fully paid
COVID-19	: Coronavirus disease (COVID-19), an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-Cov2)
Dato' Lee	: Dato' Lee Tuck Fook
Deed	: The deed of trust dated 11 March 2025 entered into between the Manager and the Trustee, constituting Paradigm REIT and registered with the SC on 13 March 2025
Deposited Property	: All the assets of Paradigm REIT, including all the Authorised Investments and other assets (after consulting with the auditor) considered to be in the nature of assets in accordance with generally accepted accounting practices in Malaysia, for the time being held or deemed to be held in accordance with the Deed
Directors	: Directors of the Manager
Distributable Income	: The amount available for distribution to the Unitholders which is to be computed in accordance with the manner set out in Section 10.9 "Distributable Income" of this Prospectus
Distribution Period	: Half-yearly or such other interval as the Manager may determine in accordance with the Deed
DNSB	: Dominion Nexus Sdn Bhd (Registration No. 201501008674 (1134009-V))

DEFINITIONS (Cont'd)

DPU	: Distribution per Unit
Electronic Application	: Application for the Offer Units under the Retail Offering for the Malaysian Public through the ATMs of Participating Financial Institutions
Electronic Prospectus	: A copy of this Prospectus that is issued, circulated or disseminated via the internet, electronic mail and/or distribution of CD-ROMs
Eligible Directors	: The directors of the Sponsor and the Manager who are eligible for the Pink Form Units under the Restricted Pink Form Offering
Eligible Directors and Employees	: Collectively, the Eligible Directors and the Eligible Employees
Eligible Employees	: The employees of the WCTH Group and the Manager who are eligible for the Pink Form Units under the Restricted Pink Form Offering
Entitlement Date	: 14 May 2025, being the date on which the names of the Entitled WCTH Shareholders must appear in the Record of Depositors of WCTH as at 5.00 p.m., in order to be entitled to participate in the Restricted Offering
Entitled WCTH Shareholders	: The shareholders of WCTH whose names appear on the Record of Depositors of WCTH as at the close of business on an entitlement date to be determined and announced later by the board of directors of WCTH
EPF	: Employees Provident Fund Board
EPU	: Earnings per Unit
Excess Pink Form Units	: Any Pink Form Units not taken up under the Restricted Pink Form Offering
Excess Pink Form Units Applications	: Applications by the Eligible Directors and Employees for the Excess Pink Form Units in excess of their pre-determined allocation
Excess Restricted Offer Units	: Unsubscribed Restricted Offer Units under the Restricted Offering
Excess Restricted Offer Units Applications	: Applications by the Entitled WCTH Shareholders for the Restricted Offer Units in excess of their pre-determined allocation
ESG	: Environmental, Social and Governance
Final Retail Price	: Final price per Unit payable by investors pursuant to the Retail Offering equivalent to RM1.00 per Offer Unit or the Institutional Price, whichever is lower, to be determined on the Price Determination Date
Forecast Period 2025	: Financial period commencing from 13 March 2025 (being the date of establishment of Paradigm REIT) and ending 31 December 2025

DEFINITIONS (Cont'd)

FYE	: Financial year ended or, as the case may be, ending 31 December
GDP	: Gross domestic product
GWSB	: Gemilang Waras Sdn Bhd (Registration No. 199901022022 (496922-H)), being an indirect wholly-owned subsidiary of WCTH, held through WCTL
GLA	: Gross lettable area
Gross Floor Area or GFA	: Gross floor area
Government	: Government of Malaysia
Gross Rental Income	: Comprises base rent (excluding straight-lining adjustments on rent-free period and staggered rent over the lease term in accordance with MFRS 16) and percentage rent The base rent and percentage rent have the meaning as set out in Section 4.4.5.1 "Total Revenue" of this Prospectus
Income Tax Act	: Income Tax Act, 1967
Independent Property Market Researcher or Savills	: Savills (Malaysia) Sdn Bhd (Registration No. 199501004315 (333510-P))
Independent Property Valuer or Knight Frank	: Knight Frank Malaysia Sdn Bhd (Registration No. 200201017816 (585479-A))
Institutional Offering	: Offering of at least 305,342,500 Units by WCTHJ at the Institutional Price in the following manner: (i) 200,000,000 Units are reserved for Bumiputera investors approved by the MITI; and (ii) the remaining 105,342,500 Units to other institutional investors and selected investors
Institutional Price	: The price per Offer Unit payable by the institutional investors pursuant to the Institutional Offering which will be determined on the Price Determination Date by way of bookbuilding
Internet Application	: Application(s) for the Offer Units under the Public Offering for the Malaysian public portion through an Internet Participating Financial Institution(s)
Internet Participating Financial Institution(s)	: Participating financial institutions for the Internet Application as referred to in Appendix F "Procedure for the Application and Acceptance" of this Prospectus
Issuing House or MIH	: Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X))
Joint Bookrunners	: Collectively, Maybank IB, CGS, AmlInvestment Bank and RHB IB
Joint Underwriters	: Collectively, Maybank IB, CGS and AmlInvestment Bank

DEFINITIONS (Cont'd)

JPSB	: Jelas Puri Sdn Bhd (Registration No. 200501007697 (684744-H)), being a 70% joint venture of WCTL, which in turn is a wholly-owned subsidiary of WCTH
Latest Practicable Date or LPD	: 31 March 2025, being the latest practicable date prior to the issuance of this Prospectus
LED	: Light-emitting diode
Listing	: The admission of Paradigm REIT to the Official List of the Main Market of Bursa Securities and the listing and quotation for 1,600,000,000 Units on the Main Market
Listing Date	: The date of the Listing
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
Lodge and Launch Framework	: The framework as established by the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC (effective 9 March 2015)
LPL	: Legacy Pacific Limited (Registration No. 1775500), a company incorporated under the laws of British Virgin Island
LRT	: Light Rapid Transit
Main Market	: Main Market of Bursa Securities
Malaysian Public	: Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
Management Fees	: Fees payable to the Manager which comprises the base fee, the performance fee, the acquisition fee and the divestment fee as set out in Section 6.6 "Management Fees" of this Prospectus
Manager	: Paradigm REIT Management Sdn Bhd (Registration No. 201901023858 (1333187-V)), being the management company of Paradigm REIT and 80.0% jointly-controlled entity of WCTH
Market Day	: A day on which Bursa Securities is open for trading in securities
Maybank IB or Principal Adviser or Sole Managing Underwriter or Joint Underwriter or Joint Bookrunner	: Maybank Investment Bank Berhad (Registration No. 197301002412 (15938-H))
MCCG	: Malaysian Code on Corporate Governance issued by the SC
MFRS	: Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board
MITI	: Ministry of Investment, Trade and Industry of Malaysia

DEFINITIONS (Cont'd)

MTN	: Medium term notes issued under the MTN Programme
MTN Programme	: An MTN programme established by Paradigm Capital, a special purpose vehicle which is wholly-owned by the Trustee (on behalf of Paradigm REIT)
NAV	: The Total Asset Value less the liabilities of Paradigm REIT at the point of valuation
Net Income	: Interim unaudited or annual audited net income after taxation of Paradigm REIT as determined by the Manager based on applicable Malaysian Accounting Standards Board's approved accounting standards in Malaysia
Net Lettable Area or NLA	: Area in a property that is lettable for Gross Rental Income but excludes space used for building and centre management operations, common areas, carts, signages and ATMs
NPI	: Net property income
Non-Real Estate Assets	: Refers to: (i) units of other listed REITs; (ii) listed shares; (iii) listed securities of and issued by property companies; (iv) debt securities or sukuk issued by, or fully guaranteed by, the Government; (v) debt securities or sukuk issued by property companies and Real Estate-related asset-backed securities; and (vi) commercial papers or Islamic commercial papers or debt securities or sukuk issued by companies or institutions falling within the top three (3) long-term credit rating and highest short-term credit rating by any domestic or global rating agency, and such other assets as may be permitted by the REIT Guidelines and the SC
Occupancy Rate	: The percentage of Occupied NLA against total NLA
Occupied NLA	: The total NLA of the Subject Properties which, at any particular point in time, are subject to tenancies which have committed in accordance with the terms of the respective tenancy agreements or letters of offer
Offer Units	: The 560,000,000 new Units to be offered by WCTHJ pursuant to the Offering
Offering	: Collectively, the Retail Offering and the Institutional Offering
Official List	: A list specifying all securities listed on the Main Market

DEFINITIONS (Cont'd)

Paradigm Capital	:	Paradigm Capital Berhad (Registration No. 202401041234 (1587080-D))
Paradigm JB	:	An integrated commercial development comprising Paradigm Mall JB, Hyatt Place Johor Bahru and Paradigm Residence Johor Bahru
Paradigm Mall PJ	:	A retail mall comprising 6 retail levels with a lower ground floor and 2 basement car park levels along with 2 retail levels sited below the existing Le Meridien Petaling Jaya and The Azure Residences collectively known as Paradigm Mall PJ, comprising relevant areas and components forming parcel and accessory parcels appurtenant thereto together with all fixtures, fittings and equipment and systems affixed and installed thereto located at No. 1, Jalan SS7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor, Malaysia
Paradigm Mall JB	:	A retail mall comprising 6 retail levels with a mezzanine floor and a level of cinema and convention centre along with basement and elevated car park levels known as Paradigm Mall JB, comprising relevant areas and components forming parcel and accessory parcels appurtenant thereto together with all fixtures, fittings and equipment and systems affixed and installed thereto located at Lot 32665, Jalan Mewah Ria 2, Taman Bukit Mewah, 81200 Johor Bahru, Johor, Malaysia
Paradigm PJ	:	An integrated commercial development comprising Paradigm Mall PJ, The Ascent, Le Méridien Petaling Jaya, The Azure Residences and Sapphire Paradigm and elevated car park podium
Paradigm REIT	:	A real estate investment trust established in Malaysia and constituted by the Deed
Pavilion Manager	:	Pavilion REIT Management Sdn Bhd (Registration No. 201101011359 (939490-H))
Participating Financial Institutions	:	The participating financial institutions for Electronic Applications as referred to in Appendix F "Procedure for the Application and Acceptance" of this Prospectus
Pink Form Units	:	27,795,000 Units offered under the Restricted Pink Form Offering
Placement Agreement	:	The placement agreement to be entered into between the Manager and the Joint Bookrunners in respect of the placement of the Offer Units under the Institutional Offering
PMMSB	:	Paradigm Mall Management Sdn Bhd (<i>formerly known as WCT (MM2H) Sdn Bhd</i>) (Registration No. 201801018462 (1280478-M), being an indirect wholly-owned subsidiary of WCTH, held through WCTL
Price Determination Date	:	The date on which the Institutional Price and the Final Retail Price will be determined
Profit Forecast	:	The profit forecast of Paradigm REIT for the Forecast Period 2025

DEFINITIONS (Cont'd)

Pro Forma Statement of Comprehensive Income	:	Unaudited pro forma statement of comprehensive income of Paradigm REIT for the FYE 2022, FYE 2023 and FYE 2024
Pro Forma Statement of Financial Position	:	Pro forma statement of financial position of Paradigm REIT as at 13 March 2025 (being the date of establishment of Paradigm REIT)
Property Management Agreement	:	The property management agreement dated 7 April 2025 entered into between the Manager, the Trustee (on behalf of Paradigm REIT) and the Property Manager
Property Manager or Henry Butcher Mont Kiara	:	Henry Butcher Malaysia (Mont Kiara) Sdn Bhd (Registration No. 201501023493 (1148822-P)), a company registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia, being the property manager of Paradigm REIT
Property Operating Expenses or POE	:	All expenses or outgoings required to manage or maintain the Subject Properties as permitted by the Deed
Prospectus	:	This Prospectus dated 16 May 2025
psf	:	Per square foot
Public Offering	:	Offering of 32,000,000 Units by WCTHJ for application by the Malaysian Public, of which 16,000,000 Units are reserved for application by Bumiputera public
Public Spread Requirement	:	The requirement, in accordance with the Listing Requirements, to have at least 25% of the total number of Units in issue to be held by 1,000 public Unitholders holding not less than 100 Units each at the point of the Listing or such other minimum public spread as may be approved by Bursa Securities
Real Estate	:	Land and all things that are natural part of the land as well as things attached to the land both below and above the ground and includes rights, interests and benefits related to the ownership of real estate, but excludes mineral, or oil and gas assets and resources
Real Estate Assets	:	The Real Estate and the SPVs and other assets as may be permitted by the REIT Guidelines and the SC
Record of Depositors	:	A record provided by Bursa Depository under Chapter 24 of the Rules of Bursa Depository
Registrar	:	Boardroom Share Registrars Sdn Bhd (Registration No. 199601006647 (378993-D))
REIT	:	Real estate investment trust
REIT Establishment	:	The establishment of Paradigm REIT
REIT Guidelines	:	Guidelines on Listed Real Estate Investments Trusts issued by the SC

DEFINITIONS (Cont'd)

Relevant Assets	: Real Estate Assets located in Malaysia used for retail, commercial, industrial and hospitality purposes and any Real Estate Assets which may in future be identified and targeted for acquisition by WCTH or an WCTH Entity
Rental Income	: Comprises base rent, others and percentage rent and having the meaning as set out in Section 4.4.5.1 "Total Revenue" of this Prospectus
Reporting Accountants or EY	: Ernst & Young PLT (Firm No. LLP0022760-LCA & AF 0039)
Restricted Offer Units	: Up to 194,862,500 Offer Units offered under the Restricted Offering
Restricted Offering	: Restricted offer for sale of 194,862,500 Restricted Offer Units by WCTHJ to the Entitled WCTH Shareholders on the basis of 1 Unit for every 8 existing ordinary shares of WCTH
Restricted Pink Form Offering	: Restricted offer for sale of up to 27,795,000 Pink Form Units by WCTHJ to the Eligible Directors and Employees
Retail Offering	: Retail offering of up to 254,657,500 Offer Units comprising: (i) Restricted Offering; (ii) Restricted Pink Form Offering; and (iii) Public Offering, subject to the Clawback and Reallocation provision, at the Retail Price
Retail Price	: The indicative retail price of RM1.00 per Offer Unit, being the initial price payable by applicants pursuant to the Retail Offering
RHB IB	: RHB Investment Bank Berhad (Registration No. 197401002639 (19663-P))
RHB Trustees or Trustee	: RHB Trustees Berhad (Registration No. 200201005356 (573019-U)) acting in its capacity as trustee of Paradigm REIT
RM and sen	: Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
ROFR	: Right of first refusal granted by WCTH to the Trustee (on behalf of Paradigm REIT), pursuant to the ROFR Agreement
ROFR Agreement	: The right of first refusal agreement dated 7 April 2025 entered into between WCTH and the Trustee (on behalf of Paradigm REIT)
Rules of Bursa Depository	: Rules of the Bursa Depository and all procedure manuals (as defined in Rules of Bursa Depository), as amended from time to time

DEFINITIONS (Cont'd)

Rules on Take-Overs	: Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC pursuant to Section 377 of the CMSA read together with the Malaysian Code on Take-Overs and Mergers 2016 issued by the SC
Securities Laws	: Has the meaning given in section 2(1) of the CMSA
Service Provider Agreement	: The service provider agreement dated 7 April 2025 entered into between the Property Manager and PMMSB
SC	: Securities Commission Malaysia
SICDA	: Securities Industry (Central Depositories) Act, 1991
SPAs	: Collectively, the conditional sale and purchase agreements all dated 13 March 2025 entered into by each Vendor and the Trustee (on behalf of Paradigm REIT) as the purchaser in relation to the sale and purchase of the respective Subject Properties
Special Resolution	: A resolution passed at a meeting of the Unitholders duly convened and held in accordance with the provisions of the Deed by a majority of not less than 75% of the total voting rights of the Unitholders who are entitled to vote on the resolution at the meeting given on a poll, provided always that for the purpose of terminating or winding up of Paradigm REIT, a “ Special Resolution ” means a resolution passed by a majority in number representing at least 75% of the total voting rights of the Unitholders voting at the meeting
Specific Security	: The security arrangement for MTNs to be issued under each Subsequent Tranche determined prior to each relevant issue date
SPV	: Special purpose vehicle used for the purpose of investment in Real Estate as referred to in the REIT Guidelines
sq ft	: Square foot/feet
Subject Properties	: Collectively, Bukit Tinggi Shopping Centre, Paradigm Mall PJ and Paradigm Mall JB, which form the property portfolio of Paradigm REIT at the point of Listing, and “ Subject Property ” means either one of them
Tax Consultant	: KPMG Tax Services Sdn Bhd (Registration No. 198301001627 (96860-M))
Total Asset Value	: The value of all the assets of Paradigm REIT based on the latest valuation in accordance with the Deed
Total Revenue	: Rental Income, car park income, advertising and promotional income and other income earned from the Subject Properties
TSDL	: Tan Sri Lim Siew Choon
TSMZ	: General Dato’ Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Haji Zainuddin (Retired)

DEFINITIONS (Cont'd)

UCDSB	: Urusharta Cemerlang Development Sdn Bhd (Registration No. 200101017453 (553210-U))
Underwriting Agreement	: The underwriting agreement dated 21 April 2025 entered into between the Manager, WCTH, the Selling Subsidiary, the Trustee (on behalf of Paradigm REIT) and the Joint Underwriters for the underwriting of 254,657,500 Units under the Retail Offering
Unit(s)	: Undivided interest in Paradigm REIT as provided for in the Deed
Unitholders	: The holders of the Units
Valuation Certificate(s)	: Collectively, the valuation certificates in respect of the Subject Properties dated 24 October 2024 and the update valuation certificate dated 6 February 2025
Vendor(s)	: In relation to the Acquisitions, collectively, the vendors of the Subject Properties, namely: (i) GWSB in respect of Bukit Tinggi Shopping Centre; (ii) JPSB in respect of Paradigm Mall PJ; and (iii) WCTHJ in respect of Paradigm Mall JB, (each a “ Vendor ”)
WALE	: Weighted average lease expiry
WCTH or Sponsor	: WCT Holdings Berhad (Registration No. 201101002327 (930464-M))
WCTH Entity	: (i) Any of WCTH's existing or future wholly-owned subsidiaries as prescribed under Section 6 of the Companies Act; or (ii) Where such subsidiaries as prescribed under Section 4 of the Companies Act are not wholly-owned by WCTH, and the other shareholder(s) is/are third parties, such subsidiaries will be subject to the ROFR only upon obtaining the consent of such third parties
WCTH Group	: Collectively, WCTH and its subsidiaries
WCTHJ or Selling Subsidiary	: WCT Hartanah Jaya Sdn Bhd (Registration No. 201101035777 (963911-K)), being an indirect wholly-owned subsidiary of WCTH, held through WCTL
WCTL	: WCT Land Sdn Bhd (Registration No. 199401039203 (324888-H)), being a direct wholly-owned subsidiary of WCTH
WCTMM	: WCT Malls Management Sdn Bhd (Registration No. 201401035259 (1111375-U)), being an indirect wholly-owned subsidiary of WCTH, held through WCTL

PRESENTATION OF FINANCIAL, MARKET, INDUSTRY AND OTHER INFORMATION

References to “Manager” are to Paradigm REIT Management Sdn Bhd, unless the context otherwise requires. Unless the context otherwise requires, references to “Management” are to the Directors and the senior management team of the Manager as at the date of this Prospectus, and the statements in this Prospectus as to beliefs, expectations, estimates and opinions of Paradigm REIT are those of the Management. All references to “Paradigm REIT” in this Prospectus include references to RHB Trustees Berhad, in its capacity as trustee for Paradigm REIT, unless the context otherwise requires.

In this Prospectus, references to “Ringgit”, “Ringgit Malaysia”, “Malaysian Ringgit”, “RM” and “sen” are to the lawful currency of Malaysia.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations and reference to a section is a reference to the relevant section of this Prospectus.

Any reference to provisions of the statutes, rules, regulations, enactments or rules of stock exchange will (where the context admits), be construed as reference to provisions of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force.

Any reference to a date and time will be a reference to Malaysian date and time, unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to one or two decimal places, where appropriate. Percentage changes in this Prospectus have been calculated on the basis of relevant figures before rounding.

Certain acronyms, technical terms and other abbreviations used herein are defined in the “Definitions” section of this Prospectus.

This Prospectus includes statistical data provided by the Manager and various third parties and cites third-party projections regarding growth and performance of the market and industry in which Paradigm REIT operates. This data is taken or derived from information published by industry sources and from the Manager’s internal data. In each such case, the source is acknowledged in this Prospectus, provided that where there is no source stated, it can be assumed that the information originates from the Manager. In particular, certain information in this Prospectus is extracted or derived from the Independent Property Market Research Report prepared by the Independent Property Market Researcher.

The Manager believes that the statistical data and projections cited in this Prospectus are useful in helping prospective investors understand the major trends in the market in which Paradigm REIT operates. However, none of Paradigm REIT, the Manager, the Sponsor, the Selling Subsidiary, the Trustee and the Principal Adviser has independently verified these figures. Moreover, the rapidly evolving nature of the property industry makes it difficult to obtain precise and accurate statistics. None of Paradigm REIT, the Manager, the Sponsor, the Selling Subsidiary, the Trustee and the Principal Adviser makes any representation as to the correctness, accuracy or completeness of such data and accordingly prospective investors should not place undue reliance on the statistical data cited in this Prospectus. Similarly, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the forecast figures. No assurances are or can be given that the estimated figures will be achieved, and prospective investors should not place undue reliance on the third-party projections cited in this Prospectus.

PRESENTATION OF FINANCIAL, MARKET, INDUSTRY AND OTHER INFORMATION *(Cont'd)*

This Prospectus includes market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecast generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. While the Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Manager has not independently verified any of the data from third-party sources or ascertained the underlying economic assumption relied upon therein.

All the information set out in this Prospectus is presented as at the LPD, unless otherwise indicated.

The information on Paradigm REIT's, the Manager's, and the Sponsor's websites or any website, directly or indirectly, linked to such websites is not incorporated by reference into this Prospectus and should not be relied on.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Paradigm REIT, the Manager, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Manager's present and future business strategies and the environment in which Paradigm REIT or the Manager will operate in the future. As such forward-looking statements reflect the Manager's current views with respect to future events, these statements necessarily involve risks, uncertainties and assumptions. Actual future performance could differ from these forward-looking statements. Investors should not place any undue reliance on these forward-looking statements.

Forward-looking statements can be identified by the use of forward-looking terminology such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast", "project" or similar expressions and include all statements that are not historical facts.

Forward-looking statements include, without limitation, statements relating to –

- (i) estimated financial information regarding the future development and economic performance of Paradigm REIT's business;
- (ii) future earnings, cash flow, level of indebtedness and liquidity;
- (iii) potential growth opportunities;
- (iv) financing plans;
- (v) the Manager's business strategy;
- (vi) the competitive position and the effects of competition on Paradigm REIT's investment portfolio;
- (vii) development of additional revenue sources;
- (viii) the amount and nature of future capital expenditures required by Paradigm REIT; and
- (ix) the general industry environment.

Among the important factors that could cause the actual results, performance or achievements of Paradigm REIT or the Manager to differ materially from those in the forward-looking statements are the conditions of, and changes in, the domestic, regional and global economies, including, but not limited to, factors such as political, economic and social conditions in Malaysia and overseas, changes in Government laws and regulations affecting Paradigm REIT, competition in the Malaysian property market in which Paradigm REIT may invest, currency exchange rates, interest rates, inflation, relations with tenants, relations with service providers, relations with lenders, hostilities (including any potential terrorist attacks), the performance and reputation of Paradigm REIT's properties and/or acquisitions, difficulties in identifying future acquisitions, difficulty in completing acquisitions, changes in the Manager's directors and executive officers, risks related to natural disasters, general volatility of the capital markets, general risks relating to the property market in which Paradigm REIT may invest and the market price of the Units as well as other matters not yet known to the Manager or not currently considered material by the Manager.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to those set out in Section 5 "Risk Factors", Section 4.5 "Profit Forecast", Section 4.4 "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Section 2 "Subject Properties" of this Prospectus. Neither Paradigm REIT nor the Manager can give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the date of this Prospectus. Should the Manager become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of prospectus up to the date of the issuance of Units, the Manager shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238 of the CMSA.

CORPORATE DIRECTORY

MANAGER : **Paradigm REIT Management Sdn Bhd**
(Registration No. 201901023858 (1333187-V))

Registered office : 12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Telephone No.: (03) 7890 4800

Email: info.my@boardroomlimited.com

Website: www.boardroomlimited.com

Business office : B-29-03, The Ascent, Paradigm
No. 1, Jalan SS7/26A
Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Telephone No.: (03) 7610 3880

Email: ceo@paradigm-reit.com

Website: www.paradigm-reit.com

DIRECTORS OF THE MANAGER

Name	Designation
Tan Sri Shahril Ridza Bin Ridzuan	Chairman / Independent Non-Executive Director
Dato' Ng Wan Peng	Independent Non-Executive Director
Kua Choo Kai	Independent Non-Executive Director
Dr. Lee Khuan Eoi	Independent Non-Executive Director
General Tan Sri Dato' Seri Panglima Ts Zulkifli Bin Zainal Abidin (Retired)	Non-Independent Non-Executive Director
Lai Cheng Yee	Non-Independent Non-Executive Director
Chua Kah Noi Selena	Executive Director / Chief Executive Officer

AUDIT COMMITTEE

Name	Designation	Directorship
Kua Choo Kai	Chairman	Independent Non-Executive Director
Dr. Lee Khuan Eoi	Member	Independent Non-Executive Director
Dato' Ng Wan Peng	Member	Independent Non-Executive Director

REMUNERATION AND NOMINATION COMMITTEE

Name	Designation	Directorship
Dr. Lee Khuan Eoi	Chairman	Independent Non-Executive Director
Dato' Ng Wan Peng	Member	Independent Non-Executive Director
Lai Cheng Yee	Member	Non-Independent Non-Executive Director

INVESTMENT COMMITTEE

Name	Designation	Directorship
Kua Choo Kai	Chairman	Independent Non-Executive Director
Dr. Lee Khuan Eoi	Member	Independent Non-Executive Director
Lai Cheng Yee	Member	Non-Independent Non-Executive Director

RISK AND SUSTAINABILITY COMMITTEE

Name	Designation	Directorship
Dato' Ng Wan Peng	Chairman	Independent Non-Executive Director
Kua Choo Kai	Member	Independent Non-Executive Director
General Tan Sri Dato' Seri Panglima Ts Zulkifli Bin Zainal Abidin (Retired)	Member	Non-Independent Non-Executive Director

COMPANY SECRETARIES

: **Tai Yit Chan**
Professional Qualification: Malaysian Institute of Chartered Secretaries and Administrators
Membership No.: MAICSA7009143
SSM Practising Certificate No.: 202008001023

Tai Yuen Ling
Professional Qualification: Licensed Secretary
Licence No.: LS0008513
SSM Practising Certificate No.: 202008001075

Boardroom Corporate Services Sdn Bhd
12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Telephone No.: (03) 7890 4800

TRUSTEE : **RHB Trustees Berhad**
(Registration No. 200201005356 (573019-U))

Registered office

Level 10, Tower One
RHB Centre
Jalan Tun Razak
50400 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Business office

Level 11, Tower Three
RHB Centre
Jalan Tun Razak
50400 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No.: (03) 9287 8888

PRINCIPAL ADVISER, LEAD : Maybank Investment Bank Berhad
BOOKRUNNER, JOINT
BOOKRUNNER, SOLE
MANAGING UNDERWRITER
AND JOINT UNDERWRITER

32nd Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No.: (03) 2059 1888

JOINT UNDERWRITERS : **AmInvestment Bank Berhad**
(Registration No. 197501002220 (23742-V))

22nd Floor, Bangunan AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No.: (03) 2036 2633

CGS International Securities Malaysia Sdn Bhd
(Registration No. 197901004504 (48703-W))

Level 12, Menara Aras Raya
No. 11, Jalan Raja Laut
50350 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No.: (03) 2635 8888

JOINT BOOKRUNNERS

: **AmlInvestment Bank Berhad**
(Registration No. 197501002220 (23742-V))

22nd Floor, Bangunan AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No.: (03) 2036 2633

CGS International Securities Malaysia Sdn Bhd
(Registration No. 197901004504 (48703-W))

Level 12, Menara Aras Raya
No. 11, Jalan Raja Laut
50350 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No.: (03) 2635 8888

RHB Investment Bank Berhad
(Registration No. 197401002639 (19663-P))

Level 13, Tower One
RHB Centre, Jalan Tun Razak
50400 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No.: (03) 9280 5808

FINANCIAL ADVISER

: **Newfields Advisors Sdn Bhd**
(Registration No. 199401010372 (296051-V))

Suites 16-03 & 16-04
Level 16, Menara Tan & Tan
207, Jalan Tun Razak
50400 Kuala Lumpur

Telephone No.: (03) 2031 2888

PROPERTY MANAGER

: **Henry Butcher Malaysia (Mont Kiara) Sdn Bhd**
(Registration No. 201501023493 (1148822-P))

Unit D4-3-3 & 3A
Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No.: (03) 6205 3330

REPORTING ACCOUNTANTS	:	Ernst & Young PLT (Firm No.: 202006000003 (LLP0022760-LCA) & AF 0039) Level 23A Menara Milenium Jalan Damanlela, Pusat Bandar Damansara 50490 Kuala Lumpur Wilayah Persekutuan Malaysia Telephone No.: (03) 7495 8636 Partner-in-charge: Tseu Tet Khong @ Tsau Tet Khong Approval number: 03374/06/2024 J Professional qualification: Member of the Malaysian Institute of Accountants ("MIA") (MIA Membership No.: 33764)
TAX CONSULTANT	:	KPMG Tax Services Sdn Bhd (Registration No. 198301001627 (96860-M)) Level 10, KPMG Tower 8, First Avenue, Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Malaysia Telephone No.: (03) 7721 3388 Partner-in-charge: Tai Lai Kok Tax agent licence number: 02/2800/10/2025 Professional qualification: Chartered Accountant & Tax Committee Member of the MIA, Tax Committee Member of the Malaysian Institute of Certified Public Accountants, Tax Committee Member of the American Malaysian Chamber of Commerce, Member of the Chartered Tax Institute of Malaysia and Member of the CPA Australia
INDEPENDENT VALUER	PROPERTY :	Knight Frank Malaysia Sdn Bhd (Registration No. 200201017816 (585479-A)) Level 10, Menara Southpoint Mid Valley City, Medan Syed Putra Selatan 59200 Kuala Lumpur Wilayah Persekutuan Malaysia Telephone No.: (03) 2289 9688 Valuer-in-charge: Ooi Hsien Yu Professional qualification: Registered Valuer by The Board of Valuers, Appraisers, Estate Agents and Property Managers (V-692), Member of Royal Institution of Chartered Surveyors (MRICS), Member of Royal Institution of Surveyors Malaysia (MRISM), Fellow Member of Association of Valuers, Property Managers, Estate Agents and Property Consultants in the Private Sector Malaysia (FPEPS), Member of Malaysian Institute of Property & Facility Managers (MMIPFM)

LEGAL ADVISERS

: *To the Manager:*

Mah-Kamariyah & Philip Koh

3A07, Block B, Phileo Damansara II
15 Jalan 16/11, Off Jalan Damansara
46350 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Telephone No.: (03) 7956 8686

To the Lead Bookrunner, Joint Bookrunners, Sole Managing Underwriter and Joint Underwriters:

Christopher & Lee Ong

Level 22, Axiata Tower
No. 9, Jalan Stesen Sentral 5
Kuala Lumpur Sentral
50470 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No.: (03) 2273 1919

**INDEPENDENT PROPERTY
MARKET RESEARCHER**

: **Savills (Malaysia) Sdn Bhd**
(Registration No. 199501004315 (333510-P))

Upper Penthouse, Wisma RKT 2
Jalan Raja Abdullah, Off Jalan Sultan Ismail
50300 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No.: (03) 8691 8888

Director-in-charge: Datuk Sr. Paul Khong
Professional qualification: Registered Member of The Board of Valuers, Appraisers, Estate Agents and Property Managers (V-528), Member of Royal Institution of Chartered Surveyors (MRICS), Member of Malaysian Institute of Estate Agents (MIEA), Member of Association of Valuers & Property Consultants in Private Practice Malaysia (MPEPS), Fellow of Royal Institution of Surveyors Malaysia (FRISM), Member of Malaysian Institute of Property & Facility Managers (MMIPFM)

ISSUING HOUSE

: **Malaysian Issuing House Sdn Bhd**
(Registration No. 199301003608 (258345-X))

11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Telephone No.: (03) 7890 4700

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 Darul Ehsan Malaysia Telephone No.: (03) 7890 4700
INTERNAL AUDITOR	: BDO Governance Advisory Sdn Bhd (Registration No. 199701018781 (434278-K)) BDO @ Menara CenTARa 360 Jalan Tuanku Abdul Rahman 50100 Kuala Lumpur Wilayah Persekutuan Malaysia Telephone No.: (03) 2616 2888
LISTING SOUGHT	: Main Market of Bursa Securities

This section only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to the investors. Investors should read and understand the contents of the whole Prospectus prior to deciding whether to invest in the Units. If necessary, investors should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers as to the legal, business, financial, tax and related aspects of an investment in the Units.

There are fees involved and investors are advised to consider them before investing in Paradigm REIT. Investors should be aware that the rental yields of the Subject Properties as well as other real estate that Paradigm REIT may invest in the future are not equivalent to the yields of the Units and the current rental receipts and yields of the Subject Properties may not be sustainable. Investors should also note that the value of the Subject Properties (including other investments Paradigm REIT may have in the future), Unit prices and distributions payable, if any, may go down as well as up. For information concerning certain risk factors which should be considered by prospective investors, please refer to Section 5 “Risk Factors” of this Prospectus.

Statements contained in this section that are not historical facts may be forward-looking statements or are historical statements reconstituted on a pro forma basis. Such statements are based on certain assumptions and are subject to certain risks and uncertainties which could cause actual results of Paradigm REIT to differ materially from those forecasts. Please refer to the section on “Forward-looking Statements” for further details. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by Paradigm REIT, the Manager, the Sponsor, the Selling Subsidiary, the Trustee, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters or any other person or that these results will be achieved or are likely to be achieved. Investing in the Units involves risks.

(A) OVERVIEW OF PARADIGM REIT

Investment Policy

Paradigm REIT is a REIT established with the principal investment policy of investing, directly and indirectly in a diversified portfolio of income producing Real Estate Assets used for retail, commercial, office, industrial and hospitality purposes and such other Non-Real Estate Assets. Paradigm REIT may also invest in other investments as permissible in the REIT Guidelines or as otherwise permitted by the SC. Unless otherwise provided by the Applicable Laws and Requirements, any material change in the investment policy of Paradigm REIT, must be approved by the Unitholders by way of a resolution of not less than two-thirds of the Unitholders voting at the Unitholders' meeting duly convened and held in accordance with the Deed.

Investment Objective

The objective of Paradigm REIT is to provide the Unitholders with an exposure to a diversified portfolio of Authorised Investments that will provide regular and stable cash distributions with the potential for long-term growth in the NAV per Unit, while maintaining an appropriate capital structure. Any material change to the objective of Paradigm REIT must be subject to the Unitholders' approval of not less than two-thirds of the Unitholders voting at the Unitholders' meeting duly convened and held in accordance with the Deed, or such other voting requirement as may be required under the CMSA and/or the REIT Guidelines from time to time.

Strategies

The Manager intends to achieve the investment objectives through the implementation of the following strategies, including:

- (i) **Proactive and effective asset management strategy** – The Manager will seek organic growth of its property portfolio, by working closely with the Property Manager, to maintain high occupancy rates, achieve stable rental growth and maximise investment returns and lettable area;
- (ii) **Acquisition growth strategy** – The Manager will actively seek out properties that can generate stable cash flows, providing consistent income for the Unitholders within Malaysia. While Paradigm REIT will primarily focus on established and mature markets with proven rental track records, it will also consider emerging market with growth potential. Furthermore, the Manager will prioritise assets with potential for long-term capital appreciation to enhance the overall value of Paradigm REIT; and
- (iii) **Capital and risk management strategy** – The Manager aims to optimise Paradigm REIT's capital structure and cost of capital within the financing limits set out in the REIT Guidelines and intends to use a combination of debt and equity financing to fund future acquisitions and capital expenditure.

For further details of Paradigm REIT, please refer to Section 1 “Detailed Information on Paradigm REIT” of this Prospectus.

(B) SUMMARY OF PARADIGM REIT

Name of REIT	: Paradigm REIT
REIT type	: Income stability and growth
Deed	: Deed dated 11 March 2025 and registered with the SC on 13 March 2025
The Manager	: Paradigm REIT Management Sdn Bhd
The Trustee	: RHB Trustees Berhad
Total issue size on the Listing Date	: 1,600,000,000 Units
Authorised Investment	: (i) Real Estate Assets; (ii) Non-Real Estate Assets; (iii) cash, deposits and money market instruments; and (iv) any other investment not covered by paragraphs (i) to (iii) above but specified as a permissible investment in the REIT Guidelines or as otherwise permitted by the SC.

Permissible investment limits : Paradigm REIT's investments are subject to the following investment limits as prescribed in the REIT Guidelines:

- (i) at least 75% of the Total Asset Value of Paradigm REIT must be invested in Real Estate Assets that generate recurrent rental income at all times;
- (ii) the aggregate investments in property development activities (property development costs) and Real Estate under construction must not exceed 15% of the Total Asset Value of Paradigm REIT; and
- (iii) investments in Non-Real Estate Assets are subject to the following investment limits and restrictions:
 - (a) the securities must be traded in or under the rules of an eligible market, except for unlisted debt securities or sukuk;
 - (b) the value of Paradigm REIT's investments in securities issued by any single issuer must not exceed 5% of the Total Asset Value of Paradigm REIT;
 - (c) the value of Paradigm REIT's investments in securities issued by any group of companies must not exceed 10% of the Total Asset Value of Paradigm REIT;
 - (d) Paradigm REIT's investments in any class of securities must not exceed 10% of the securities issued by any single issuer; or
 - (e) such other requirements as may imposed under the REIT Guidelines and the CMSA.

Performance benchmark : The following performance indicators can be considered in reviewing the performance of Paradigm REIT:

- (i) Distribution Yield;
- (ii) NAV; and
- (iii) Total return.

The performance indicators will be used to benchmark Paradigm REIT against its peers as well as against its own historical performance, where applicable.

Distribution policy : The Deed provides that the Manager shall, with the approval of the Trustee, for each Distribution Period, distribute all (or such lower percentage as determined by the Manager in its absolute discretion) of the Distributable Income of Paradigm REIT. It is the intention of the Manager to distribute at least 90% of Paradigm REIT's Distributable Income on a half yearly basis or such other intervals as the Manager may determine at its absolute discretion.

Half yearly basis refers to each consecutive 6-month period commencing on and ending on the following dates (all dates inclusive) in each financial year during the continuance of Paradigm REIT or such other interval as the Manager may determine in accordance with the Deed:

(i) 1 January to 30 June; and

(ii) 1 July to 31 December.

For the period from the Listing Date to 31 December 2025, Paradigm REIT will distribute at least 90% of its Distributable Income. The first distribution in respect of the period from the indicative Listing Date of 10 June 2025 to 31 December 2025, being the first full 6-month period, will be paid by the Manager within 2 months from 31 December 2025.

The actual proportion of Distributable Income to be distributed to the Unitholders beyond FYE 2025, which shall be at the absolute discretion of the Manager, may be greater than 90% of its Distributable Income to the extent that the Manager believes it is appropriate, having regard to Paradigm REIT's funding requirements, other capital management considerations and the availability of funds. Distributions, when made, will be in RM.

Valuation policy : Independent professional valuation will be obtained at least once every financial year in accordance with the REIT Guidelines or such other shorter interval as the Manager deems necessary and these valuations will be conducted on the bases and methods which are in accordance with the Asset Valuation Guidelines. The Manager has engaged the Independent Property Valuer to carry out valuation of the Subject Properties as at 18 June 2024 (in the case of Paradigm Mall PJ and Paradigm Mall JB) and 25 June 2024 (in the case of Bukit Tinggi Shopping Centre), with the update valuation as at 31 December 2024.

The Manager has yet to decide on the exact date for the next valuation for the Subject Properties, but in any event, such valuation will be carried out on or before 31 December 2025 in accordance with Paradigm REIT's valuation policy.

Financing limitation and gearing policy : Paradigm REIT may obtain financing of up to 50% of the Total Asset Value of Paradigm REIT at the time the financing is incurred (or such other limit permitted by the REIT Guidelines from time to time).

Upon Listing, based on Paradigm REIT's Pro Forma Statement of Financial Position, Paradigm REIT will have a total indebtedness of approximately RM841.7 million representing approximately 34.0% of its estimated Total Asset Value of RM2,475.6 million.

Redemption policy : The Unitholders have no right to request the Manager to redeem their Units.

Minimum initial investment : Minimum of 100 Units

Minimum additional investment : Multiples of 100 Units

Investor profile : Paradigm REIT may appeal to an investor with long-term investment objectives who seeks regular and stable income distribution and long-term capital appreciation, and who understands the risks related to the real estate industry and REITs.

Form : The Units will be issued in registered form and Paradigm REIT shall be constituted by Deed.

Board lot : 100 Units per board lot

Quotation : Main Market

Governing law : The Deed is governed by Malaysian law.

Avenue for advice available to prospective investors : The Manager strives to provide investors with quality information services to assist investors to make well informed investment decisions and keep abreast of developments relating to Paradigm REIT.

Enquiries can be made through the following:

- (i) Telephone number (03) 7610 3880 during business hours (Malaysian time);
- (ii) B-29-01, The Ascent, Paradigm No. 1, Jalan SS7/26A, Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan, Malaysia during business hours (Malaysian time); or
- (iii) Paradigm REIT's email at ceo@paradigm-reit.com or website at www.paradigm-reit.com.

(C) STRUCTURE OF PARADIGM REIT

Paradigm REIT Management Sdn Bhd is the manager of Paradigm REIT. The principal activity of the Manager is to manage Paradigm REIT. The Manager shall, in managing Paradigm REIT, undertake primary management activities in relation to Paradigm REIT, including but not limited to overall strategy, new acquisition and disposal analysis, marketing and communications, individual asset performance and business planning, market performance analysis and other activities as provided under the Deed. For further details of the Manager, please refer to Section 6 “The Manager” of this Prospectus.

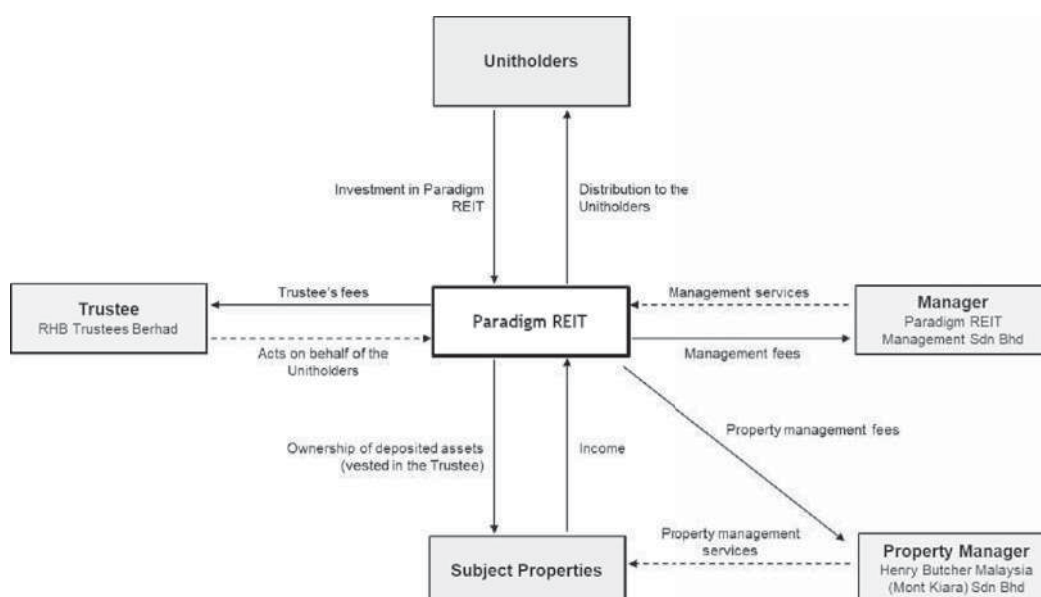
WCT Holdings Berhad is the Sponsor of Paradigm REIT. The registered office of the Sponsor is located at B-30-01, The Ascent, Paradigm, No. 1, Jalan SS7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia. For further details of the Sponsor, please refer to Section 7 “The Sponsor” of this Prospectus.

RHB Trustees Berhad is the trustee of Paradigm REIT. The Trustee provides corporate trusteeship services for Paradigm REIT. For further details of the Trustee, please refer to Section 8 “The Trustee” of this Prospectus.

Henry Butcher Malaysia (Mont Kiara) Sdn Bhd is the property manager of Paradigm REIT. The Property Manager is responsible for providing property management services to manage, operate and maintain all the properties acquired by the Trustee (as trustee for Paradigm REIT) or the special purpose vehicle(s) of Paradigm REIT, including the Subject Properties, upon the terms and conditions contained in the Property Management Agreement. For further details of the Property Manager, please refer to Section 9 “Property Manager” of this Prospectus.

Paradigm REIT will acquire the Subject Properties in accordance with the terms of the SPAs which are interdependent on each other. For further details of the SPAs, please refer to Section 14.3 “Salient Terms of the SPAs” of this Prospectus.

The following diagram illustrates the structure of Paradigm REIT and indicates the relationship between Paradigm REIT, the Manager, the Trustee, the Property Manager and the Unitholders:



(D) OVERVIEW OF THE SUBJECT PROPERTIES

Paradigm REIT's initial asset portfolio will, on the Listing Date, comprise the following 3 retail properties:

(i) Bukit Tinggi Shopping Centre

Bukit Tinggi Shopping Centre is a retail mall comprising 3 levels of retail area with a mezzanine floor and car park facilities at the surface, basement, elevated and rooftop level(s). Bukit Tinggi Shopping Centre opened in 2008 and is located at No. 1, Persiaran Batu Nilam 1/KS 6, Bandar Bukit Tinggi 2, 41200 Klang, Selangor. As at the LPD, Bukit Tinggi Shopping Centre has a total GLA of 1,000,950 sq ft.

(ii) Paradigm Mall PJ; and

Paradigm Mall PJ is a retail mall comprising 6 retail levels with a lower ground floor and 2 basement car park levels along with 2 retail levels sited below the existing Le Meridien Petaling Jaya and The Azure Residences. Paradigm Mall PJ opened in 2012 and is located at No. 1, Jalan SS7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor. As at the LPD, Paradigm Mall PJ has a total NLA of 680,048 sq ft.

(iii) Paradigm Mall JB.

Paradigm Mall JB is a retail mall comprising 6 retail levels with a mezzanine floor and a level of cinema and convention centre along with basement and elevated car park levels. Paradigm Mall JB opened in 2017 and is located at Lot 32665, Jalan Mewah Ria 2, Taman Bukit Mewah, 81200 Johor Bahru, Johor. As at the LPD, Paradigm Mall JB has a total NLA of 1,292,956 sq ft.

Please refer to Section 2.1 "Overview of the Subject Properties" of this Prospectus for the details of the Subject Properties.

Location of the Subject Properties in Peninsular Malaysia



(E) COMPETITIVE STRENGTHS AND INVESTMENT HIGHLIGHTS

The Manager believes that an investment in Paradigm REIT will offer the following investment attractions to the Unitholders:

(i) Positioned to capitalise on positive macroeconomic and strong private consumption trends in Malaysia

The Manager believes that Paradigm REIT offers the Unitholders an exposure to the Malaysian domestic economy and the robust private consumption trend.

The Malaysian economy has demonstrated healthy expansion since 2015, with a CAGR of 3.8% between 2015 and 2024. The real GDP grew by 5.1% in 2024, rising from RM1,567,974 million in 2023 to RM1,648,163 million, based on constant 2015 prices.

For 2025, Malaysia's economy is expected to remain resilient, fueled by substantial investment, steady household spending, and continued export growth. Growth in investment activities will be propelled by the continuing development of long-term private and public projects, the successful execution of approved investments, and the implementation of key initiatives outlined in national master plans.

(ii) A geographically diversified portfolio with strategically located assets

The Subject Properties are located across 3 townships in Malaysia, making Paradigm REIT a geographically diversified Malaysian retail REIT. Due to the geographical diversification of the Subject Properties which is supported by a good catchment, well-developed infrastructure and various amenities, Paradigm REIT is exposed to various growth markets across numerous townships.

(iii) Diversified and resilient portfolio offers income stability

The Subject Properties offer diversity in geographical reach, income contribution and tenant base, whilst enjoying high Average Occupancy Rates.

(a) Diversified and quality tenant base

As at the LPD, the Subject Properties have 723 tenants (including Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee), comprising well-established international and domestic retailers such as (in alphabetical order) Adidas, AEON, Golden Screen Cinemas, H&M, Harvey Norman, Nike, Parkson, Uniqlo and Lotus's.

For the month of March 2025, the top 10 tenants of the Subject Properties (including Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee) accounted for 31.4% of the Subject Properties' Gross Rental Income.

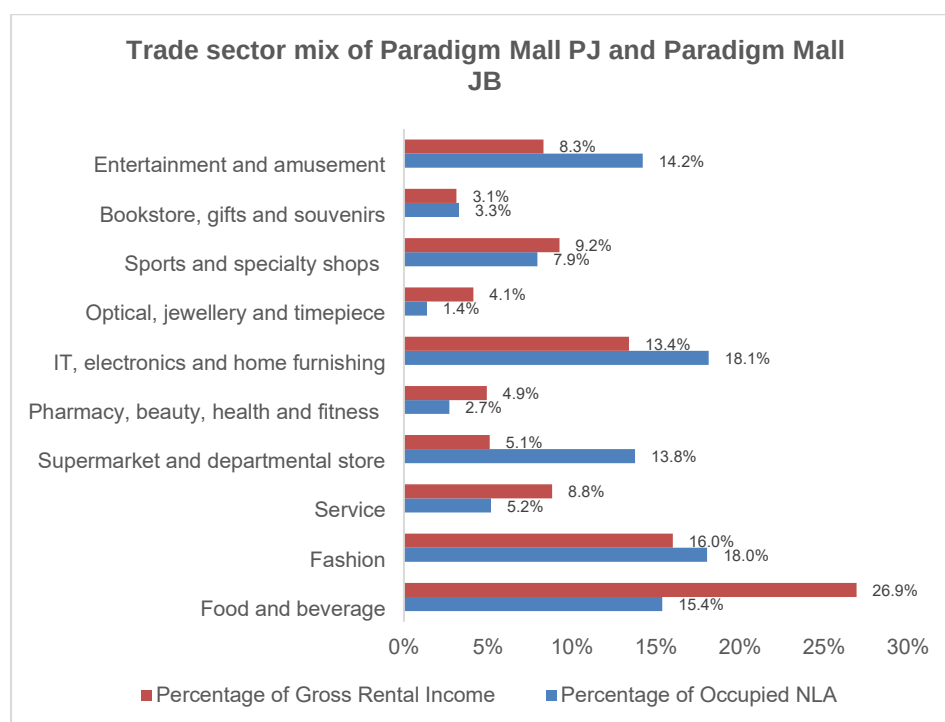
Save for Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee and had contributed 21.4% to the Subject Properties' Gross Rental Income for the month of March 2025, no other single tenant contributed more than 5.0% to the Subject Properties' Gross Rental Income for the month of March 2025. Please refer to Sections 2.3.4 and 2.4.4 "Tenant Profile" of this Prospectus for the tenant profiles of Paradigm Mall PJ and Paradigm Mall JB respectively.

(b) Resilient trade sector mix

The Subject Properties offer exposure to a diversified, resilient and well-balanced trade sector mix.

The Subject Properties offer exposure to resilient trade sectors such as food and beverage and fashion stores. These 2 trade sectors accounted for 33.7% of the Subject Properties' Gross Rental Income for the month of March 2025 (including Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee). Excluding Bukit Tinggi Shopping Centre, the food and beverage and fashion sectors accounted for 42.9% of the Subject Properties' Gross Rental Income for the month of March 2025.

The following table sets out information on the trade sector mix for Paradigm Mall PJ and Paradigm Mall JB by percentage of Occupied NLA as at 31 March 2025 and percentage of Gross Rental Income for the month of March 2025:



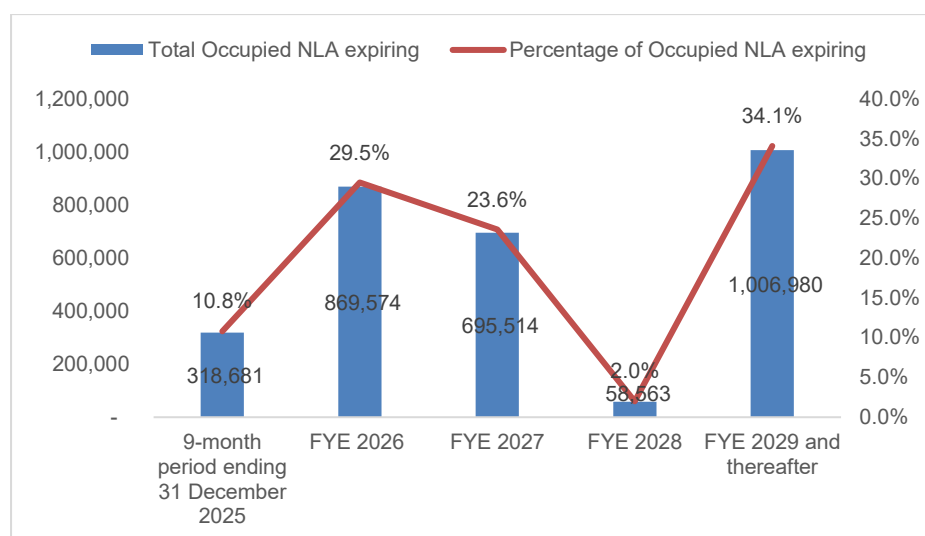
Further, the Manager intends to expand its experiential-based shopping offerings and recreational amenities such as those currently being offered in Paradigm Mall PJ and Paradigm Mall JB. This strategy aims to diversify the tenant mix, mitigate the effects of economic fluctuations on overall rental income, manage risks associated with specific business sectors, and attract a broader audience suitable for the Subject Properties.

(c) Well-staggered lease expiry profile

The Subject Properties have a well-staggered lease expiry profile with a stable and visible cashflow. Save for Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee, the WALE (by NLA) of Paradigm PJ and Paradigm JB are 1.54 years and 1.56 years respectively as at 31 March 2025.

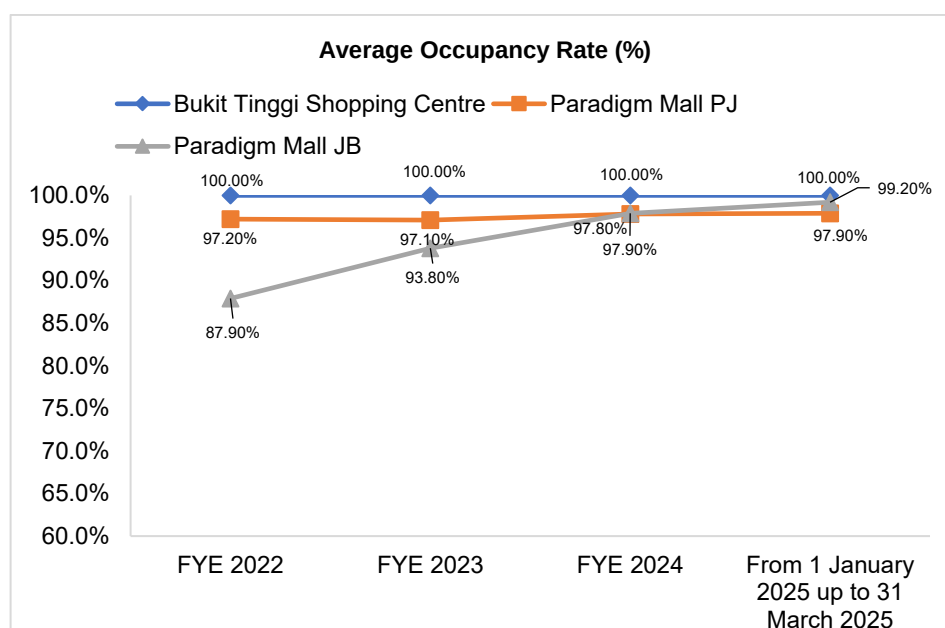
The chart below sets out the total lease expiry profile of the Subject Properties as at 31 March 2025.

Total lease expiry profile of the Subject Properties by GLA/NLA

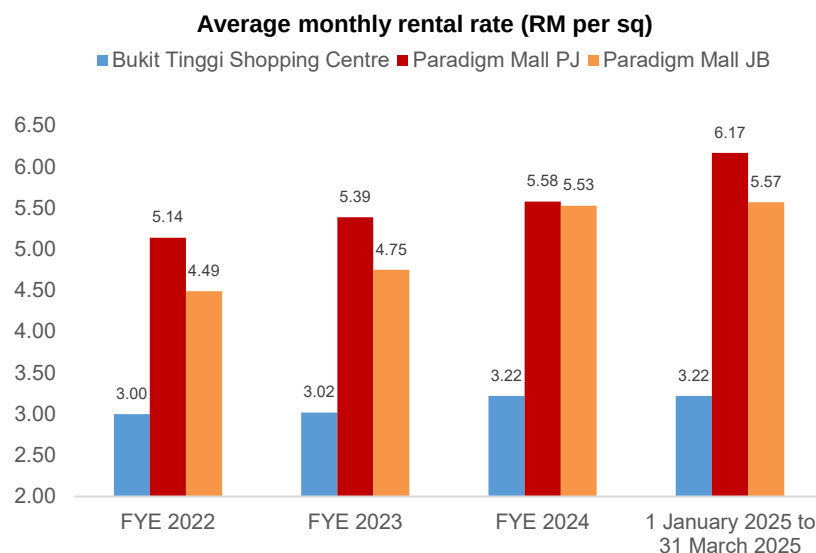


(d) Increasing rental rates underpinned by high occupancy

The Average Occupancy Rate of the Subject Properties has increased on a portfolio basis and the rental rates of the Subject Properties have remained stable on a portfolio basis over the years on an average monthly rental rate per sq ft basis. The chart below sets out the Average Occupancy Rate of the Subject Properties for the FYE 2022 to the FYE 2024 and the period from 1 January 2025 to 31 March 2025.



The chart below sets out the average monthly rental rate per sq ft of the Subject Properties for the FYE 2022 to the FYE 2024 and the period from 1 January 2025 to 31 March 2025.



The average month rental rate is calculated based on base rent, being rental income (inclusive of service charges and promotional charges) and straight-lining adjustments on rent-free period and staggered rent over the lease term in accordance with MFRS 16 derived from Occupied NLA, over the Average Occupied NLA. Please refer to Section 4.4.5.1 “Total Revenue” of this Prospectus for further details.

(iv) Opportunities for future growth

(a) Acquisition growth opportunities

The Manager believes that while Paradigm REIT has growth opportunities through active asset management and asset enhancement, Paradigm REIT will also be able to leverage on the Sponsor’s extensive network and track record in sourcing, acquiring and financing real estate assets.

As at the LPD, apart from the Subject Properties, the WCTH Group and its joint ventures owns Le Méridien Petaling Jaya, Hyatt Place Johor Bahru Paradigm Mall and Première Hotel in Klang, as well as concessions in SkyPark Terminal, Sultan Abdul Aziz Shah Airport in Subang and gateway@klia2, KLIA in Sepang which are airport malls.

With effect from the date of completion of the Acquisitions as contemplated under the SPAs, Paradigm REIT will hold the ROFR to purchase any Relevant Assets in the event that:

- (i) WCTH or a WCTH Entity (as defined in Section 14.4 “Salient Terms of the ROFR” of this Prospectus) proposes to sell/dispose the Relevant Assets or any part(s) thereof; or
- (ii) WCTH or a WCTH Entity receives any offer from a third party to purchase any part of the Relevant Assets which WCTH or a WCTH Entity is willing to consider,

except for intra-group transfer of the Relevant Assets and the grant of ROFR or reconstruction, amalgamations, restructurings, mergers and analogous events involving WCTH or a WCTH Entity and shall be subject to applicable laws.

The ROFR will provide Paradigm REIT with access to future acquisition opportunities of properties which WCTH or a WCTH Entity have direct control over and/or developed by them. The ROFR is expected to increase the pipeline of assets for Paradigm REIT. The ROFR gives Paradigm REIT the right but not the obligation to acquire the Relevant Assets.

In addition, pursuant to the undertaking provided by TSDL, both Paradigm REIT and Pavilion REIT will be given the opportunity to bid for certain assets under certain scenarios set out in Section 11.5.2 “Undertaking provided by TSDL” of this Prospectus. The undertaking was provided by TSDL to mitigate any actual or potential conflict of interest situation arising from TSDL being a common major shareholder and unitholder and common director of the Sponsor, the Pavilion Manager and Pavilion REIT. The acquisition of any assets pursuant to the undertaking provided by TSDL will be subject to due diligence and assessment of commercial viability.

- (b) Embedded upside potential to be realised through active asset management and enhancement

There is scope for increased rental income for the Subject Properties through active asset management. Save for Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee, the Manager intends to constantly engage with the tenants and actively negotiates lease renewals early to ensure tenant retention as well as to source for new tenants to increase occupancy level and optimise trade sector mix at each of the Subject Properties.

Furthermore, the Manager plans to adopt a sustainable approach by installing solar photovoltaic system on the rooftop of Bukit Tinggi Shopping Centre. WCTHJ has completed the installation of solar photovoltaic system on the rooftop of Paradigm Mall JB in February 2025.

This initiative will not only reduce utility costs but also aligns with the growing trend of environmentally conscious business practices. These upgrades will improve Bukit Tinggi Shopping Centre and Paradigm Mall JB to appeal to a broader audience and meet the evolving expectations of current conscientious consumers.

(v) Experienced management team

Chua Kah Noi Selena, the Chief Executive Officer and Executive Director of the Manager, has over 30 years of experience in property development and investment, corporate management, leasing, retail development and actively participated in the initial public offering and listing of CapitaLand Mall Trust (now known as CapitaLand Integrated Commercial Trust), being the first listed REIT in Singapore. She has been with the WCTH Group for over 7 years overseeing the management of all the retail malls within the WCTH Group's portfolio.

Chong Kian Fah, the Director of Investment, Finance & Accounts of the Manager, joined the WCTH Group as Chief Accountant in August 2008 and was promoted to the position of Director of Corporate and Finance of the Sponsor in January 2017 where he was responsible for overseeing and managing the accounting and financial matters of the WCTH Group and ensure compliance with financial regulations.

The management team consists of experienced retail real estate professionals, many of whom have been with the Sponsor for several years, managing, among others, the respective Subject Properties. Therefore, they maintain familiarity and have in-depth knowledge of the Subject Properties in its respective locations, making them uniquely positioned to stimulate the future growth of Paradigm REIT.

(vi) Management Fees structure aligns the Manager's interest with Unitholder

The Management Fees are structured to align the interest of the Manager to the Unitholders. The Manager is entitled to receive a base fee of up to 1.00% per annum of the Total Asset Value of Paradigm REIT (excluding cash and bank balances which are held in non-interest bearing) as well as a performance fee of up to 5.00% per annum of Paradigm REIT's NPI in the relevant financial year but before the deduction of property management fees payable to any property manager(s) appointed to manage any Real Estate. For the Profit Forecast, the Manager will be charging a base fee of 0.3% per annum of the Total Asset Value of Paradigm REIT and performance fee of 3.0% per annum of Paradigm REIT's NPI. The Management Fees payable to the Manager have an incentive-based element which is designed to align the interest of the Manager with those of the Unitholders, through incentivising the Manager to grow Paradigm REIT's Distributable Income.

The Manager may elect to receive Management Fees in cash or Units or a combination of cash and Units as it may at its sole discretion determine.

(vii) Prudent capital structure and active capital management

(a) Conservative gearing level with ample debt headroom

Upon Listing, Paradigm REIT will have total indebtedness of RM841.7 million, representing approximately 34.0% of the estimated Total Asset Value of RM2,475.6 million based on Paradigm REIT's Pro Forma Statement of Financial Position.

The debt-to-asset ratio is below the prescribed limit under the REIT Guidelines of 50.0% of the total asset value of a REIT, providing Paradigm REIT with ample debt headroom of up to approximately RM1,237.8 million (including the total indebtedness of RM841.7 million upon Listing).

(b) Active management to optimise capital structure

The Manager aims to optimise Paradigm REIT's capital structure and cost of capital to manage borrowing cost efficiency to improve returns to the Unitholders. The Manager also intends to use appropriate combinations of debt and equity to fund future acquisitions with the objective of ensuring capital efficiency.

(F) MATERIAL INTERRUPTIONS IN PARADIGM REIT'S BUSINESS

In 2020, there was an outbreak of the infectious disease known as COVID-19 which led to an unprecedented challenge to public health in Malaysia and globally. The World Health Organisation recognised COVID-19 as a "Public Health Emergency of International Concern" on 30 January 2020 and subsequently classified it as a "pandemic" on 11 March 2020.

Overall, there was no significant impact to occupancy rates throughout the COVID-19 pandemic as rental rebates were provided by the Vendors to the tenants to ensure the tenant's business continuity and long-term sustainability. For the avoidance of doubt, the COVID-19-related rental rebates have been discontinued in 2024 following the gradual recovery of the Subject Properties. However, these rental rebates had an impact that extended beyond the FYE 2024 due to the straight-lining adjustments of such rental rebates in accordance with the requirements of MFRS 16 and are expected to have minimal impact on the Total Revenue for the FYE 2025. The COVID-19-related rental rebates for the FYE 2022 to the FYE 2024 are set out below:

Subject Properties	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Bukit Tinggi Shopping Centre	274	59	-
Paradigm Mall PJ	6,928	1,122	236
Paradigm Mall JB	7,115	584	591
	14,317	1,765	827

The management team of the Vendors has gained significant experience from navigating the unprecedented challenges impacting the Subject Properties during the COVID-19 pandemic, including restructuring loan repayments and fostering understanding with tenants and has equipped the management team with the necessary expertise to navigate future challenges.

As a result of navigating these challenges together, the relationship between the Vendors and their tenants has been strengthened. The shared experience of managing through the pandemic has fostered a greater sense of partnership and mutual trust, enhancing the long-term stability of these tenancies moving forward.

(G) SUSTAINABILITY

The Manager acknowledges the importance of ESG impact when developing business strategies of Paradigm REIT. As such, the Manager and the Board are committed to adhere to good sustainability practices as set out in Section 6.15 "Sustainability" of this Prospectus.

(H) PRINCIPAL STATISTICS RELATING TO THE OFFERING

- The Offering** : 560,000,000 Offer Units offered under the Retail Offering and Institutional Offering
- The Retail Offering** : The Retail Offering of up to 254,657,500 Offer Units, subject to the Clawback and Reallocation provisions, consists of the following:
- (i) up to 194,862,500 Restricted Offer Units to the Entitled WCTH Shareholders on the basis of 1 Restricted Offer Unit for every 8 existing ordinary shares of WCTH held by the Entitled WCTH Shareholders on the Entitlement Date;

(ii) 27,795,000 Pink Form Units to the Eligible Directors and Employees; and

(iii) 32,000,000 Offer Units for application by the Malaysian Public of which 16,000,000 Units are reserved for application by the Bumiputera public,

at the Retail Price of RM1.00 per Offer Unit, payable in full upon application and subject to refund of the difference between the Retail Price and the Final Retail Price, if the Final Retail Price is less than the Retail Price.

The Institutional Offering

: At least 305,342,500 Units, subject to Clawback and Reallocation, by way of placement at the Institutional Price to the following:

(i) 200,000,000 Offer Units to Bumiputera investors approved by the MITI; and

(ii) at least 105,342,500 Offer Units to other institutional investors and selected investors.

Clawback and Reallocation

: The Institutional Offering and the Retail Offering will be subject to the Clawback and Reallocation provisions.

The Institutional Price

: The price per Offer Unit payable by the institutional investors pursuant to the Institutional Offering will be determined by way of a bookbuilding on the Price Determination Date.

Retail Price

: The Retail Price of RM1.00 per Offer Unit was determined and agreed upon by the Manager, the Sponsor and Selling Subsidiary in consultation with the Principal Adviser, the Joint Bookrunners and the Joint Underwriters after taking into consideration the following factors:

(i) the financial history and condition of the Subject Properties;

(ii) the pro forma NAV per Unit upon Listing of approximately RM1.00;

(iii) the forecast distribution yields of Paradigm REIT;

(iv) the future prospects of Paradigm REIT; and

(v) the prevailing capital and property market conditions and sentiments.

The Final Retail Price will be determined after the Institutional Price is fixed on the Price Determination Date and will be equal to the lower of:

(i) the Retail Price of RM1.00 per Offer Unit; or

(ii) the Institutional Price,

subject to rounding to the nearest sen.

Applicants should also note that the market price of the Units upon Listing is subject to the vagaries of market forces and other uncertainties which may affect the price of the Units.

Expected gross proceeds : As Paradigm REIT will not be issuing any new Units under the Offering, Paradigm REIT will not receive any cash from the Offering.

Utilisation of proceeds : Estimated Listing expenses of approximately RM7.4 million to be incurred will be funded through the MTN Programme undertaken by Paradigm Capital and internally generated funds of Paradigm REIT from the Subject Properties. The expenses will be fully settled within 1 month from the Listing. The breakdown of the estimated expenses in relation to the Listing is as follows:

Estimated Listing expenses	(RM'000)
Professional and advisory fees	6,984
Regulatory fees	318
Printing, investor relations and other related expenses	83
Total	7,385

Please refer to Section 3.9 "Utilisation of Proceeds" of this Prospectus for further details.

(I) FINANCIAL HIGHLIGHTS

The following is an extract from Section 4.2 "Pro Forma Statement of Financial Position" of this Prospectus.

As at the date of its establishment, Paradigm REIT did not have any assets and liabilities. The following table presents the Pro Forma Statement of Financial Position, prepared for illustrative purposes only, to show the effects of the Acquisitions based on the assumption that such events had been effected on the date of establishment of Paradigm REIT and are not represented as being necessarily indicative of Paradigm REIT's view of its future financial position.

The Pro Forma Statement of Financial Position should be read in conjunction with the "Reporting Accountants' Report on the Pro Forma Statement of Financial Position" included in Appendix D of this Prospectus.

The Pro Forma Statement of Financial Position has been prepared for illustrative purposes in the manner consistent with the format of the financial statements and the accounting policies to be adopted by Paradigm REIT as set out in Section 4.4.4 "Material accounting policies" of this Prospectus.

Pro Forma Statement of Financial Position

	Unaudited
	RM'000
Non-current asset	
Investment properties	2,437,000
Current assets	
Cash and bank balances	38,643
Current liability	
Tenants' deposits payable	17,115
Net current assets	21,528
	2,458,528
Equity	
Unitholders' funds ⁽¹⁾	1,592,615
Non-current liabilities	
Tenants' deposits payable	21,903
Accrued rental	2,290
Borrowings ⁽²⁾	841,720
	865,913
	2,458,528
NAV (RM'000) ⁽³⁾	1,592,615
Number of Units in issue ('000)	1,600,000
NAV per Unit (RM) ⁽⁴⁾	1.00

Notes:

- (1) Unitholders' funds of RM1,600.0 million, net of estimated expenses in relation to the issue of the Units of RM7.4 million.
- (2) The borrowings of RM844.0 million is presented net of capitalised transaction costs of RM2.3 million.
- (3) NAV represents the value of Paradigm REIT's total assets less total liabilities.
- (4) NAV per Unit is computed based on NAV divided by number of Units in issue.

Unaudited Pro Forma Statement of Comprehensive Income

The following is an extract from Section 4.1 "Unaudited Pro Forma Statement of Comprehensive Income" of this Prospectus.

The Pro Forma Statement of Comprehensive Income of Paradigm REIT has been prepared based on the information extracted from the Vendors' audited financial statements for the FYE 2022, FYE 2023 and FYE 2024, which were prepared in accordance with the approved accounting standards in Malaysia. The Vendors' audited financial statements for the FYE 2022, FYE 2023 and FYE 2024 were not subject to any audit qualification.

Certain numbers have been re-presented or reclassified in this pro forma to conform with the basis of presentation of the Pro Forma Statement of Comprehensive Income and may not be consistent with the basis of presentation in the audited financial statements of the Vendors. The Pro Forma Statement of Comprehensive Income has been prepared in accordance with approved accounting standards in Malaysia, and in a manner consistent with the format of the financial statements and the accounting policies to be adopted by Paradigm REIT as set out in Section 4.4.4 "Material accounting policies" of this Prospectus.

INFORMATION SUMMARY (Cont'd)

In arriving at the Pro Forma Statement of Comprehensive Income, certain key adjustments and assumptions were made.

The pro forma financial information of Paradigm REIT presented below should be read in conjunction with Section 4.4 "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Prospectus.

	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Total Revenue	161,631	190,175	218,741
Property Operating Expenses	(56,138)	(73,461)	(71,517)
NPI	105,493	116,714	147,224
Interest income	1,005	1,005	1,005
Changes in fair value of investment properties	-	-	-
Net investment income	106,498	117,719	148,229
Non-property expenses	(12,298)	(12,686)	(13,656)
Finance costs	(37,424)	(36,600)	(36,896)
Profit before taxation	56,776	68,433	97,677
Taxation	-	-	-
Net profit for the financial years, representing total comprehensive income for the financial years attributable to Unitholders	56,776	68,433	97,677
Add: Non-cash items ⁽¹⁾	1,042	1,592	1,721
Distributable Income	57,818	70,025	99,398

Note:

- (1) Non-cash items comprise the Management Fees payable in Units, straight-lining adjustments of rent-free period, staggered rent, rental rebates and fit-out contribution over the lease term in accordance with MFRS 16: Leases ("MFRS 16"), reversal of and allowance for expected credit losses ("ECLs"), unwinding of discount on tenants' deposits payable and gain or loss on disposal of property, plant and equipment.

(J) PROFIT FORECAST

The following is an extract from Section 4.5 "Profit Forecast" of this Prospectus.

Statements contained in this "Profit Forecast" Section that are not historical facts may be forward-looking statements. Such statements are based on the assumptions set forth in this Section of this Prospectus and are subject to certain risks and uncertainties which could cause actual results to differ materially from those estimates. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction by any of Paradigm REIT, the Manager, the Sponsor, the Vendors, the Trustee, the Principal Adviser, the Joint Bookrunners, the Joint Underwriters or any other person that the underlying assumptions will materialise, or that these results will be achieved or are likely to be achieved. See the Section on "Forward-looking Statements" and Section 5 "Risk Factors" of this Prospectus for further details. Investors in the Units are cautioned not to place undue reliance on these forward-looking statements which are made only as at the date of this Prospectus.

None of Paradigm REIT, the Manager, the Sponsor, the Vendors, the Trustee, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters guarantees the performance of Paradigm REIT, the repayment of capital or the payment of any distributions, or any particular return on the Units. The forecast yield stated in the following table is calculated based on the Retail Price of RM1.00 per Unit.

Such yields will vary accordingly based on the actual Listing Date, or for investors who purchase Units at a price that differs from the Retail Price.

Investors are cautioned that rental yield on the Subject Properties to be held by Paradigm REIT is not equivalent to the yield of the Units. Investors are cautioned that they will not get the full amount of the distribution per Unit as illustrated in the Profit Forecast. Current rental receipts and yields may not be sustained. The values of the Subject Properties may rise as well as fall.

The following table shows Paradigm REIT's Profit Forecast for the Forecast Period 2025. The financial year end of Paradigm REIT is 31 December. The Profit Forecast has been prepared assuming that the first financial period is the financial period ending 31 December 2025 and the date of establishment of Paradigm REIT of 13 March 2025 and that the Acquisitions had been completed on 13 March 2025. The actual NPI for the financial period ending 31 December 2025 and the resultant distribution yield would be dependent on the rentals of the Subject Properties accruing to Paradigm REIT effective from the Listing Date. The Profit Forecast is based on the assumptions set out below and have been examined by the Reporting Accountants and should be read together with the "Reporting Accountants' Letter on the Profit Forecast" set out in Appendix E of this Prospectus, as well as the assumptions set out in this Section of this Prospectus.

Profit Forecast

	Forecast Period 2025 (RM'000)
Total revenue ⁽¹⁾	187,464
Property Operating Expenses	(57,863)
Other income	344
NPI	129,945
Interest income	809
Change in fair value of investment properties	-
Net investment income	130,754
Non-property expenses	(11,147)
Finance costs	(30,295)
Profit before taxation	89,312
Taxation	-
Net profit for the financial period, representing total comprehensive income for the financial period attributable to Unitholders	89,312
Non-cash items	3,130
Distributable Income	92,442
Number of Units in issue ('000) ⁽²⁾	1,602,470
Distribution rate (%)	100
Distribution cover (times)	1.00
DPU (sen)	5.77 ⁽⁴⁾
Retail Price (RM/Unit)	1.00
Distribution yield on Retail Price (%)⁽³⁾	5.77⁽⁴⁾

Notes:

- (1) *Comprises Rental Income, car park income and advertising and promotional income earned from the Subject Properties.*
- (2) *Total number of Units in issue includes the assumed Units issued to the Manager (as stated in Section 4.5.3.8 "Non-cash items" of this Prospectus) at an assumed issue price of RM1.00 per Unit.*
- (3) *Distribution yield is calculated based on the assumption that the Listing Date is on 13 March 2025 and issue price per Unit is RM1.00. The distribution yield will vary accordingly based on the actual Listing Date and issue price per Unit.*
- (4) *Annualised DPU and distribution yield on the Retail Price are 7.16 sen and 7.16% respectively. Annualised DPU is calculated by multiplying the DPU for the 294-days Forecast Period 2025 of 5.77 sen by a factor of 365 / 294.*

(K) RISK FACTORS

An investment in the Units involves risk. A summary of the risks associated with an investment in the Units is set out below. Please refer to Section 5 "Risk Factors" of this Prospectus for further details of the risk factors. Investor should read and understand all the risk factors before making a decision to invest in the Units.

Risks relating to the Subject Properties

- (i) A substantial number of the tenancies and the master lease to AEON expire in certain years.
- (ii) The Subject Properties may face increasing competition from other retail properties.
- (iii) The loss of key tenants or a significant number of tenants in the Subject Properties, a downturn in the businesses of the Subject Properties' key tenants and/or any breach by the key tenants of their obligations under their tenancy agreements may have a material adverse effect on the financial condition and results of operations of Paradigm REIT.
- (iv) The Subject Properties may require significant capital expenditure beyond the Manager's current estimate and Paradigm REIT may not be able to secure funding.
- (v) Renovations, asset enhancement works and physical damage to the Subject Properties may disrupt the business and operations of the Subject Properties and collection of Paradigm REIT's Gross Rental Income and result in an adverse impact on the financial condition of Paradigm REIT.
- (vi) The Subject Properties might be adversely affected if the Manager and the Property Manager do not provide adequate management and maintenance.
- (vii) Paradigm REIT may suffer material losses in excess of insurance proceeds or Paradigm REIT may not put in place or maintain adequate insurance in relation to the Subject Properties and its potential liabilities to third parties.
- (viii) The due diligence on the Subject Properties may not have identified all material defects, breaches of laws and regulations and other deficiencies.
- (ix) The Appraised Values of the Subject Properties are based on various assumptions which may or may not materialise and the price at which Paradigm REIT is able to sell the Subject Properties in the future may be lower than the acquisition value of the Subject Properties.

- (x) Paradigm REIT is dependent on third parties for certain services.
- (xi) Non-registration of discharges of charge for the Subject Properties.
- (xii) Registration of transfer of the Subject Properties may be delayed or may not take place at all.
- (xiii) Completion of the SPAs and assignments or transfers of certain contracts or licences may not occur.
- (xiv) There can be no assurance that the Subject Properties will be able to maintain rental rates at prevailing market rates.
- (xv) Recurring traffic congestion in prime areas and transportation infrastructure near the Subject Properties may not be implemented as planned, or may be redirected, relocated, terminated, delayed or not completed and may affect overall accessibility to the relevant Subject Properties.
- (xvi) Paradigm REIT may be subject to legal proceedings.
- (xvii) The Subject Properties or any part of them may be acquired compulsorily.

Risks relating to Paradigm REIT's operation

- (i) Paradigm REIT is exposed to economic, real estate market conditions (including uncertainties and instability in global market conditions and increased competition in the retail property market) and political risks in Malaysia.
- (ii) The Total Revenue earned from, and the value of, the Subject Properties may be adversely affected by a number of factors.
- (iii) Operating risks inherent to the retail property industry and increases in operating and other expenses of the Subject Properties may have an adverse effect on Paradigm REIT's financial condition and results of operations.
- (iv) Paradigm REIT is subject to risks inherent in concentrating investments in retail properties in a single country.
- (v) The amount Paradigm REIT may borrow is limited, which may affect the operations and expansion of Paradigm REIT.
- (vi) Changes in consumer behaviour patterns in Malaysia may adversely affect Paradigm REIT.
- (vii) Paradigm REIT may face risks associated with debt financing and existing and future debt facilities and debt covenants may limit or affect Paradigm REIT's operations.
- (viii) The Manager may not be able to successfully implement its investment strategies, including asset enhancements, for Paradigm REIT and future acquisitions may not yield the returns expected, may result in disruptions to Paradigm REIT's business, may strain management resources and may result in the dilution of holdings.
- (ix) Paradigm REIT may not meet the requirements to enjoy tax exemptions under Section 61A of the Income Tax Act by virtue of, among others, tax adjustments which could affect the requirement of 90.0% distribution of taxable income or changes in tax laws which may affect Paradigm REIT and/or the Unitholders.

- (x) Paradigm REIT depends on certain key personnel and the loss of any key personnel may adversely affect its operations.
- (xi) Paradigm REIT may be adversely affected by the illiquidity of real estate investments and the lack of alternative uses and may be exposed to a higher level of risk compared to other types of unit trusts that have a more diverse range of investments.
- (xii) A change of investment strategies may adversely affect Unitholders' investments in Paradigm REIT.
- (xiii) Potential conflicts of interest among Paradigm REIT, the Manager and the Sponsor or its subsidiaries may result in corporate actions and business decisions that are not in the Unitholders' best interest.
- (xiv) Potential conflicts of interest among common major unitholder/shareholder and common directors of WCTH and Pavilion REIT.
- (xv) Potential conflicts of interest relating to the acquisition of properties from the Sponsor.
- (xvi) Occurrence of any acts of God, war and terrorist attack may adversely and materially affect the business and operations of the Subject Properties.
- (xvii) Impact of disease outbreaks to Paradigm REIT's business, financial condition and results of operations.
- (xviii) Paradigm REIT relies on information technology in its operations, and any material failure, inadequacy, interruption or security failure of that technology could harm its business.
- (xix) Third parties may be unable to recover under claims brought against the Manager as the Manager is not an entity with significant assets.

Risks relating to an investment in the Units

- (i) The actual performance of Paradigm REIT and the Subject Properties could differ materially from the forward-looking statements in the Prospectus.
- (ii) Paradigm REIT's Pro Forma Statement of Financial Position and Pro Forma Statement of Comprehensive Income included in the Prospectus may not reflect the actual financial position and results.
- (iii) Paradigm REIT may not be able to make distributions to Unitholders or the level of distributions may fall.
- (iv) The NAV per Unit may be diluted if further issues are priced below the then current NAV per Unit.
- (v) Unitholders who do not or are not able to participate in future equity financing by Paradigm REIT will experience a dilution of their interest in Paradigm REIT.
- (vi) The price of the Units may decline after the Listing.
- (vii) Volatility in market and economic conditions may affect the price and demand for the Units.
- (viii) Property yield on Real Estate to be held by Paradigm REIT is not equivalent to distribution yield on the Units.

INFORMATION SUMMARY (Cont'd)

- (ix) The laws, regulations and accounting standards in Malaysia may change, including the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs.
- (x) The RM may be subject to exchange controls.
- (xi) Foreign investment in Malaysian assets may be subject to further controls.
- (xii) No right for Unitholders to request for redemption of their Units.
- (xiii) The Units have never been publicly traded such that the listing of the Units on the Main Market may not result in an active or liquid market for the Units.
- (xiv) Failure in the Listing may result in refund monies without interest.
- (xv) There can be no assurance that the Units will remain listed on Bursa Securities and/or not be suspended from trading.

(L) FEES AND CHARGES

There are fees and charges involved and investors are advised to consider them before investing in Paradigm REIT.

The following is a summary of the amount of certain fees and charges payable by the Unitholders in connection with the purchase, sale and holding of their investments in Paradigm REIT or trading of the Units (so long as the Units are listed):

Payable by the Unitholders directly		Amount payable
(a)	Bursa Securities clearing fee	0.03% of the transaction value, subject to a maximum of RM1,000.00 per transaction
(b)	Brokerage	A percentage of the transaction value prescribed by or negotiated with the ADAs, subject to a minimum of RM40.00 per transaction save for (i) online routed retail transactions, (ii) transactions executed in less than a board lot, and (iii) transactions paid with cash up front, for which the minimum brokerage fees are fully negotiable
(c)	Stamp duty	RM1.00 for every RM1,000.00 or fractional part of the transaction value, subject to a maximum of RM200.00 per transaction

The above rates may be subject to changes by the relevant parties. Further information on the charges you may incur from the trading of Units on Bursa Securities may be found on Bursa Securities' website at www.bursamalaysia.com.

INFORMATION SUMMARY (Cont'd)

The following is a summary of certain fees and charges payable by Paradigm REIT in connection with the establishment and on-going management and operation of Paradigm REIT:

<u>Payable by Paradigm REIT</u>	<u>Amount payable</u>
(a) Management Fees (payable to the Manager)	The Manager may elect to receive the Management Fees in cash or new Units or a combination of cash and new Units (as it may in its sole discretion determine). The Manager is entitled under the Deed to the following Management Fees (exclusive of service tax, if any): (i) Base Fee up to 1% per annum of the Total Asset Value of Paradigm REIT (excluding cash and bank balances which are held in non-interest bearing accounts). For the avoidance of doubt, where an investment is held through one or more SPVs, the Total Asset Value shall include the value of all the assets of the relevant SPV, prorated to the proportion of Paradigm REIT's interest in the said SPV, if applicable. (ii) Performance Fee up to 5% per annum of the NPI (iii) Acquisition Fee 1% of the acquisition price of each of the following as is applicable (subject to there being no double-counting): (a) in relation to an acquisition (whether directly or indirectly through the Trustee or one or more SPVs of Paradigm REIT) of any Real Estate, the transaction value of any Real Estate purchased by Paradigm REIT or its SPV (pro-rated to the proportion Paradigm REIT's interest, if applicable); or

Payable by Paradigm REIT	Amount payable
	(b) in relation to an acquisition (whether directly or indirectly through the Trustee or one or more SPV of Paradigm REIT) of any SPV or holding entities which holds Real Estate, the underlying value of any Real Estate as assessed in a valuation report by a qualified valuer pursuant to the Deed ("Underlying Value") (pro-rated to the proportion Paradigm REIT's interest, if applicable). For the avoidance of doubt, no Acquisition Fee is payable with respect to the Acquisition of the Subject Properties in connection with the Listing, but Acquisition Fee is payable with respect to all other transactions (including related party transactions and non-related party transactions and acquisitions from the WCTH Group subsequently). (iv) Divestment Fee 0.5% of the each of the following as is applicable (subject to there being no double-counting): (a) in relation to a disposal (whether directly or indirectly through the Trustee or one or more SPVs of Paradigm REIT) of any Real Estate, the transaction value of any Real Estate disposed by Paradigm REIT or its SPV (pro-rated to the proportion Paradigm REIT's interest, if applicable); or (b) in relation to a disposal (whether directly or indirectly through the Trustee or one or more SPVs of Paradigm REIT) of any SPV or holding entities which holds Real Estate, the Underlying Value of any Real Estate (pro-rated to the proportion Paradigm REIT's interest, if applicable). For the avoidance of doubt, the Divestment Fee is payable with respect to all other transactions (including related party transactions and non-related party transactions and divestments to WCTH Group), as well as for compulsory acquisitions.

INFORMATION SUMMARY (Cont'd)

Payable by Paradigm REIT	Amount payable
	For the FYE 2025, Paradigm REIT intends to charge a base fee of 0.3% per annum of the Total Asset Value of Paradigm REIT and a performance fee of 3.0% per annum of the NPI.
(b) Trustee's fee (payable to the Trustee)	In accordance with the Deed, Paradigm REIT will pay the Trustee an annual trusteeship fee of up to 0.03% per annum of the NAV of Paradigm REIT (excluding service tax), is to be paid to the Trustee. Other than this, there will be no payment due to the Trustee by way of remuneration for its services upon the subscription for or sale of a Unit and upon any distributions of income and capital or otherwise under the Deed.
(c) Property management fee (payable to the Property Manager)	The Property Manager is entitled to receive RM25,000.00 (excluding any applicable tax) per month (equivalent to RM300,000.00 (excluding any applicable tax) per annum) for the management and operation of the Subject Properties. In addition, the Property Manager is also entitled to full reimbursement of costs and expenses properly incurred in the operation, maintenance, management and marketing of the Subject Properties in accordance with the terms and conditions of the Property Management Agreement.
(d) Other trust expenses	These include: (i) auditor's fee; (ii) tax agent fees; (iii) valuation fee; (iv) secretarial fee; (v) professional fee; (vi) market research fees; (vii) annual listing fee; (viii) printing, posting and general expenses that are directly related to and necessary for the administration of Paradigm REIT; and (ix) all other expenses related to Paradigm REIT as provided for in the Deed.

For further details of the fees and charges, please refer to Section 3.10 "Brokerage, Underwriting Commission, Placement Fee and Other Fees and Charges", Section 6.6 "Management Fees", Section 8.5 "Trustee's Fee" and Section 9.5 "Property Management Fee" of this Prospectus.

1. DETAILED INFORMATION ON PARADIGM REIT

1.1 OVERVIEW OF PARADIGM REIT

1.1.1 Investment Policy

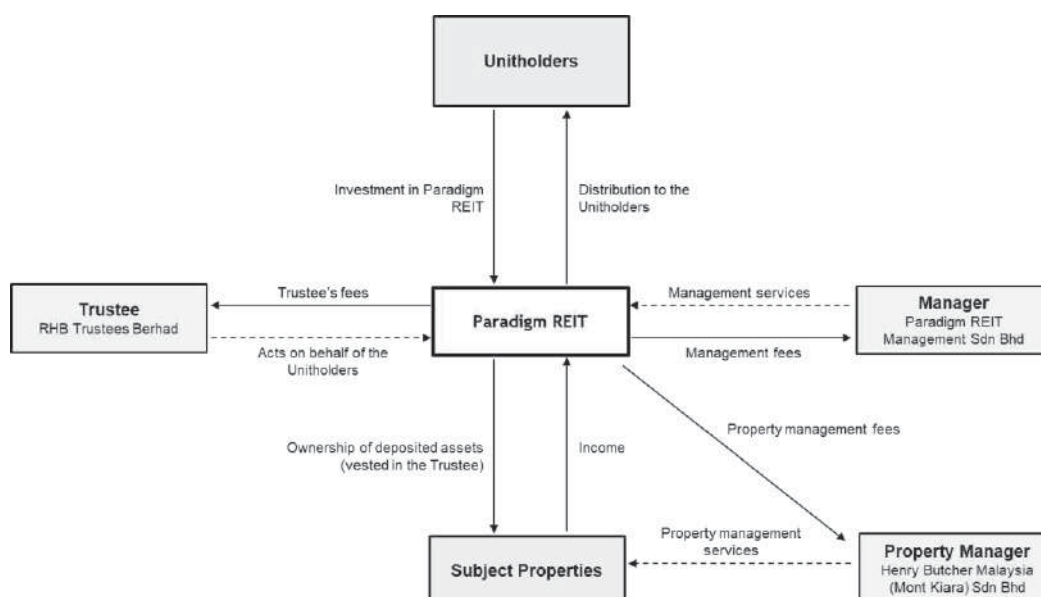
Paradigm REIT is a REIT established with the principal investment policy of investing, directly and indirectly in a diversified portfolio of income producing Real Estate Assets used for retail, commercial, office, industrial and hospitality purposes and such other Non-Real Estate Assets. Paradigm REIT may also invest in other investments as permissible in the REIT Guidelines or as otherwise permitted by the SC. Unless otherwise provided by the Applicable Laws and Requirements, any material change in the investment policy of Paradigm REIT, must be approved by the Unitholders by way of a resolution of not less than two-thirds of the Unitholders voting at the Unitholders' meeting duly convened and held in accordance with the Deed.

1.1.2 Investment Objective

The objective of Paradigm REIT is to provide the Unitholders with an exposure to a diversified portfolio of Authorised Investments that will provide regular and stable cash distributions with the potential for long-term growth in the NAV per Unit, while maintaining an appropriate capital structure. Any material change to the objective of Paradigm REIT must be subject to the Unitholders' approval of not less than two-thirds of the Unitholders voting at the Unitholders' meeting duly convened and held in accordance with the Deed, or such other voting requirement as may be required under the CMSA and/or the REIT Guidelines from time to time.

1.2 STRUCTURE OF PARADIGM REIT

The following diagram illustrates the structure of Paradigm REIT and indicates the relationship between Paradigm REIT, the Manager, the Trustee, the Property Manager and the Unitholders.



1.3 STRATEGIES

For the first 5 years after the Listing, the Manager intends to achieve the investment objectives through the implementation of the following strategies:

- (i) **Proactive and effective asset management strategy** – The Manager will seek organic growth of its property portfolio, by working closely with the Property Manager, to maintain high occupancy rates, achieve stable rental growth and maximise investment returns and lettable area;

1. DETAILED INFORMATION ON PARADIGM REIT (Cont'd)

- (ii) **Acquisition growth strategy** – The Manager will actively seek out properties that can generate stable cash flows, providing consistent income for the Unitholders within Malaysia. While Paradigm REIT will primarily focus on established and mature markets with proven rental track records, it will also consider emerging market with growth potential. Furthermore, the Manager will prioritise assets with potential for long-term capital appreciation to enhance the overall value of Paradigm REIT; and
- (iii) **Capital and risk management strategy** – The Manager aims to optimise Paradigm REIT's capital structure and cost of capital within the financing limits set out in the REIT Guidelines and intends to use a combination of debt and equity financing to fund future acquisitions and capital expenditure.

1.3.1 Proactive and Effective Asset Management Strategy

The Manager will work closely with the Property Manager to proactively manage the Subject Properties so as to maintain high occupancy rates and achieve stable rental growth. Paradigm REIT will benefit from the Sponsor's experience and track record in asset management and asset enhancement.

To achieve this, the Manager, working closely with the Property Manager, will focus on:

- (i) **Interactive and unique advertising and promotion campaigns to continue to drive higher shopper traffic and sales**

As each Subject Property serves its surrounding communities with their own distinct characteristics and socio-economic environment, the Manager will actively monitor and research relevant market trends to implement measures to ensure that the tenant profile and trade mix within each Subject Property are optimised on an ongoing basis with the objective to drive shopper traffic and sales. Higher traffic and sales will help drive demand for lettable area from existing and potential new tenants, thus resulting in higher rental rates and continued high occupancy rates. The initiatives for continual improvement of shopper traffic and sales include, among others:

- (a) performing periodic studies of the consumers within the Subject Properties' surrounding area which involve examining the demographics and consumer trends within a 1 to 5 kilometres radius of the Subject Properties;
- (b) conducting periodic studies and analysis of traffic footfall reports, competitive reviews of rival shopping centres and third-party market research on consumer trends, as they relate to the market position of the Subject Properties;
- (c) identifying the potential tenants with an established presence within neighbourhood communities and other established malls;
- (d) engaging in continuous improvement of the tenant and zoning mix within the Subject Properties;
- (e) searching for new tenants from sectors currently under-represented in the Subject Properties to achieve an optimal tenant mix;
- (f) continuing to seek out promotional partnership as a further incentive in attracting domestic and international shopper to the Subject Properties. This may include partnerships with strategic partners in the banking, airline, hospitality, e-wallet and credit card partnerships, MICE (meetings, incentives, conventions and exhibitions) and other industries in order to explore cross marketing opportunities;

1. DETAILED INFORMATION ON PARADIGM REIT (Cont'd)

- (g) repositioning the Subject Properties as preferred destination for events such as cultural festivals, product launches, community events and more;
- (h) advertising both domestically and abroad in order to further develop the Subject Properties as a key shopping destination for residents within the Subject Properties' surrounding area and, to an extent, tourist;
- (i) organising unique events in the malls to attract shoppers traffic and sales; and
- (j) proactive tenant management, including regular interaction and understanding of the tenant businesses, to identify and replace struggling tenants with thriving retailers, thereby mitigating landlord risk and maximising gross turnover.

(ii) **Actively identify potential asset enhancement initiatives for higher returns and improved facilities:**

The Manager will continue to improve revenue and seek to enhance the value of its property portfolio by adopting a policy of continuous improvement in the Subject Properties and actively assess opportunities for assets enhancement which may range from rehabilitation (restoration to original state) to refurbishment (modernisation or reconfiguration to original plan). The initiatives for continual assets enhancement include, among others:

- (a) actively configuring the layout to improve the efficiency of the lettable area as tenancies expire in order to create new shopping experiences and increase rental rates;
- (b) reconfiguring unproductive space to improve leasing potential where there is demand for such space by existing and/or new tenants;
- (c) reconfiguring unproductive space into effective advertising platform, including digital billboards or static displays;
- (d) converting selected areas not currently leased out or selected ancillary area to increase lettable area;
- (e) improving exterior signage, lighting, restroom facilities and other physical aspects of the Subject Properties in order to continually enhance their overall aesthetics;
- (f) increasing retail space and retail offerings by creating new retail units and kiosks in common areas; and
- (g) working closely with local council to improve surrounding infrastructure attached to the Subject Properties and amenities in order to ease shopper access and provide greater shopper satisfaction.

(iii) **An aggressive and active leasing strategy**

The Manager will continue to improve rental rates while maintaining high occupancy rates by working closely with the Property Manager to provide a more experiential experience for the customers. The initiatives include, among others:

- (a) actively targeting new tenants for the Subject Properties to improve the tenant mix to reduce the impact to economic cycles on overall rental income, to manage specific business sector risks and to capture a larger group of patrons as appropriate for the Subject Properties in question;

1. DETAILED INFORMATION ON PARADIGM REIT *(Cont'd)*

- (b) regular review of rental rates against market rates for possible upward adjustments, in accordance with the provisions of the lease agreements;
- (c) prioritise the incorporation of contractual periodic rental step-up provisions during lease agreement negotiations to secure positive rental reversion as an additional source of income growth;
- (d) continue to negotiate for higher percentage rent provisions during lease agreement negotiations (typically fixing a percentage of a tenant's periodic sales turnover with a specified sales threshold known as the break-even point). This will result in higher rental;
- (e) early engagement in renewal negotiations with tenants whose leases are approaching expiry to minimise vacancy rates;
- (f) actively marketing current and impending vacancies to secure new tenants and minimise vacant periods; and
- (g) actively monitoring tenant viability and tenants' rental arrears as well as conducting due diligence on prospective tenants to minimise the risk of late payments and rental defaults.

(iv) Quality services to tenants and strong tenant relationship

The Manager will continue providing the quality services to maintain its strong relationship with the tenants to encourage tenant retention, reduce vacancy levels and minimising the impact to revenue from tenant turnover. The initiatives to deliver quality services to tenants to maintain strong tenant relationship include, among others:

- (a) maintaining a high level of tenant satisfaction by anticipating and proactively responding to tenants' requests and tailoring tenanted solutions to meet tenants' requirements;
- (b) cross sharing of successful retail initiatives between the various Subject Properties for the benefit of tenants, indirectly improving the tenants' business to encourage tenant retention;
- (c) reviewing facility management services on an ongoing basis to ensure service standards are met;
- (d) adopting cost effective facility management strategies to reduce operating expenses adopting a preventive maintenance approach to identify potential issues early and minimise costly repairs;
- (e) providing additional value-added services to promote tenants' interests and ultimately the Subject Properties, over the long term. These tenant support services include but are not necessarily limited to visual merchandising, store design and layout training, education on service standards and display techniques or advertising;
- (f) proactively engaging with and facilitating relocation or expansion of tenants according to their operational requirements;
- (g) improving the customer traffic distribution throughout the property or sector re-zoning to increase the trade segment appeal within the Subject Properties;

1. DETAILED INFORMATION ON PARADIGM REIT (Cont'd)

(h) leveraging on the WCTH Group's goodwill with the tenants of the Subject Properties to maximise retention and to leverage on the WCTH Group's customer network for potential tenants; and

(i) assisting smaller or local retailers with their fit-out design, visual merchandising and also menu or product mix cum pricing.

(v) Stringent budgetary controls

The Manager will seek to maximise returns to the Unitholders through, among others:

(a) regularly exploring opportunities to minimise operating expenses through improved operational efficiencies without compromising on the quality of services and facilities provided;

(b) actively adjusting property management costs and other outgoings based on competitive market benchmarks;

(c) preparing comprehensive annual budgets, which will be complemented by monthly reviews to detect any deviation; and

(d) implementing stringent cost control management systems and strictly adhering to the budgetary plans and strategies.

1.3.2 Acquisition Growth Strategy

Paradigm REIT will have an initial portfolio immediately upon Listing within Klang Valley and Johor Bahru that aligns with the investment objective. The Manager will actively seek out properties that can generate stable cash flows, providing consistent income for the Unitholders within Malaysia. While Paradigm REIT will primarily focus on established and mature markets with proven rental track records, it will also consider emerging markets with growth potential. Furthermore, the Manager will prioritise assets with potential for long-term capital appreciation to enhance the overall value of Paradigm REIT.

The Manager will prioritise properties located in urban and suburban areas with good accessibility and a strong demand for commercial and retail space. Key considerations will include proximity to transportation hubs, residential areas and employment centres.

In evaluating future acquisition opportunities, the Manager will be sourcing for properties that will be beneficial for Paradigm REIT by undertaking acquisitions of assets that are potentially yield accretive and with potential for improvement, such that the Unitholders are able to enjoy higher distribution per Unit in future if such acquisition opportunities are realised.

The Manager will diversify Paradigm REIT's portfolio across various regions in Malaysia. This strategy aims to reduce exposure to economic fluctuations in any specific area and enhance Paradigm REIT's overall resilience. Additionally, the Manager will seek to balance the portfolio by location and tenant profile, ensuring a diverse mix of high-quality properties and tenants.

(i) Investment criteria

In evaluating acquisition opportunities for Paradigm REIT, the Manager will consider the following key investment criteria:

(a) **Yield accretion** – The Manager will seek to acquire potentially yield accretive income-producing properties that will enhance the distribution and yield to the Unitholders as well as bring potential growth to Paradigm REIT.

1. DETAILED INFORMATION ON PARADIGM REIT (Cont'd)

- (b) **Quality of existing tenants** – The Manager will seek out properties with existing tenancies from tenants with good financial standing and credit quality to maximise tenant retention rate and minimise rental delinquency and turnover. A key consideration will be the impact of an acquisition on Paradigm REIT's overall tenant portfolio and tenancy expiry profile.
- (c) **Location** – Properties should be located in prime locations and the Manager will evaluate properties in terms of accessibility and proximity to major roads and public transportation, the immediate and surrounding catchment areas and competition.
- (d) **Capital appreciation** – The Manager will seek to acquire quality Real Estate with potential for market value appreciation.
- (e) **Value adding opportunities and asset enhancement potential** – The Manager will seek to acquire properties with potential opportunities to increase rental rates, occupancy rates and enhance value through proactive property management, including but not limited to, asset enhancement initiatives, renovations or refurbishments.
- (f) **Building design and specifications** – Potential properties for acquisition should have good quality specifications which are in compliance with building and zoning regulations. At the same time, the design should, as much as possible, be versatile such that it would appeal to as many potential tenants as possible. The age and condition of the building will also be considered, taking into account any assessment, if necessary, by independent experts relating to repairs, maintenance and capital expenditure requirements in the short to medium-term.
- (g) **Branding and image** – The Manager will consider the alignment of the potential property's image and branding with Paradigm REIT's overall portfolio. Properties that enhance Paradigm REIT's brand identity and market perception will be prioritised.

Any acquisitions of future properties will be made in compliance with the Deed, the REIT Guidelines and any other relevant guidelines, taking into consideration the current maximum permissible debt level of 50% of the Total Asset Value of Paradigm REIT at the time any borrowing is incurred.

(ii) Acquisition opportunities from the WCTH Group

After the Listing, the Manager will leverage on the WCTH Group's pipeline of property development projects to source for high quality real estates.

With effect from the date of completion of the Acquisitions as contemplated under the SPAs, the Sponsor agrees to grant a ROFR to the Trustee (on behalf of Paradigm REIT) to purchase any Relevant Assets in the event that the Sponsor or a WCTH Entity intends for any reason whatsoever to sell/dispose the Relevant Assets or any part(s) thereof; or the Sponsor or a WCTH Entity receives any offer from a third party to purchase any part of the Relevant Assets which the Sponsor or a WCTH Entity is willing to consider.

The ROFR provides Paradigm REIT with access to future acquisition opportunities of properties which the WCTH Group has direct control over and developed by them. The ROFR is expected to increase the pipeline of assets for Paradigm REIT.

The ROFR provides Paradigm REIT the right but not the obligation to acquire the Relevant Assets.

1. DETAILED INFORMATION ON PARADIGM REIT (Cont'd)

Please refer to Section 14.4 “Salient Terms of the ROFR” of this Prospectus for the salient terms of the ROFR.

1.3.3 Capital and Risk Management Strategy

The Manager aims to optimise Paradigm REIT’s capital structure and cost of capital within the financing limits set out in the REIT Guidelines and intends to use a combination of debt and equity financing to fund future acquisitions and capital expenditure, determined based on the following strategies:

- (i) securing the most favourable terms of funding while maintaining an appropriate gearing level;
- (ii) maintaining a reasonable level of loan service capability by ensuring that cash inflows from tenants match the outflows arising from financial obligations;
- (iii) diversifying sources of debt funding and actively managing the range of debt maturities to reduce refinancing risks and optimise the cost of capital;
- (iv) proactively managing risks associated with refinancing and changes in financing rates; and
- (v) where appropriate, implementing hedging strategies to minimise the exposures arising from adverse market financing rates and foreign exchange exposure.

1.4 AUTHORISED INVESTMENTS AND INVESTMENT LIMITS

The Authorised Investments of Paradigm REIT are as follows:

- (i) Real Estate Assets;
- (ii) Non-Real Estate Assets;
- (iii) cash, deposits and money market instruments; and
- (iv) any other investment not specified in paragraphs (i) to (iii) above but specified as a permissible investment in the REIT Guidelines or as otherwise permitted by the SC.

For the avoidance of doubt, the Manager may use financial derivatives including but not limited to entering into futures, forwards, options and swaps contracts for the purpose of hedging the risk exposure of Paradigm REIT.

Paradigm REIT’s investments are subject to the following investment limits as prescribed in the REIT Guidelines:

- (i) at least 75% of the Total Asset Value of Paradigm REIT must be invested in Real Estate Assets that generate recurrent rental income at all times;
- (ii) the aggregate investments in property development activities (property development costs) and Real Estate under construction must not exceed 15% of the Total Asset Value of Paradigm REIT; and
- (iii) investments in Non-Real Estate Assets are subject to the following investment limits and restrictions:
 - (a) the securities must be traded in or under the rules of an eligible market, except for unlisted debt securities or sukuk;

1. DETAILED INFORMATION ON PARADIGM REIT (Cont'd)

- (b) the value of Paradigm REIT's investments in securities issued by any single issuer must not exceed 5% of the Total Asset Value of Paradigm REIT;
- (c) the value of Paradigm REIT's investments in securities issued by any group of companies must not exceed 10% of the Total Asset Value of Paradigm REIT;
- (d) Paradigm REIT's investments in any class of securities must not exceed 10% of the securities issued by any single issuer; and
- (e) such other requirements as may be imposed under the REIT Guidelines and the CMSA.

1.5 INVESTORS' PROFILE

Paradigm REIT may appeal to an investor with long-term investment objectives who seeks regular and stable income distribution and long-term capital appreciation, and who understands the risks related to the real estate industry and REITs.

1.6 PERFORMANCE BENCHMARK

The following performance indicators can be considered in reviewing the performance of Paradigm REIT:

(i) Distribution yield

The ratio of the distribution paid to the Unitholders from Paradigm REIT's Distributable Income to the market price of the Units.

(ii) NAV

NAV represents the Total Asset Value after subtracting all of Paradigm REIT's liabilities and obligations.

(iii) Total return

The change in market price of the Units over a period of time plus any distributions received during the relevant period.

The performance indicators will be used to benchmark Paradigm REIT against its peers as well as against its own historical performance, where applicable.

1.7 DISTRIBUTION POLICY

The Deed provides that the Manager shall, with the approval of the Trustee, for each Distribution Period, distribute all (or such lower percentage as determined by the Manager in its absolute discretion) of the Distributable Income of Paradigm REIT. It is the intention of the Manager to distribute at least 90% of Paradigm REIT's Distributable Income on a half yearly basis or such other intervals as the Manager may determine at its absolute discretion.

Half yearly basis refers to each consecutive 6-month period commencing on and ending on the following dates (all dates inclusive) in each financial year during the continuance of Paradigm REIT or such other interval as the Manager may determine in accordance with the Deed:

- (i) 1 January to 30 June; and
- (ii) 1 July to 31 December.

1. DETAILED INFORMATION ON PARADIGM REIT (Cont'd)

For the period from the Listing Date to 31 December 2025, Paradigm REIT will distribute at least 90% of its Distributable Income. The first distribution in respect of the period from the indicative Listing Date of 10 June 2025 to 31 December 2025, being the first full 6-month period, will be paid by the Manager within 2 months from 31 December 2025.

The actual proportion of Distributable Income to be distributed to the Unitholders beyond the FYE 2025, which shall be at the absolute discretion of the Manager, may be greater than 90% of its Distributable Income to the extent that the Manager believes it is appropriate, having regard to Paradigm REIT's funding requirements, other capital management considerations and the availability of funds. Distributions, when made, will be in RM.

1.8 VALUATION POLICY

Independent professional valuation will be obtained at least once every financial year in accordance with the REIT Guidelines or such other shorter interval as the Manager deems necessary and these valuations will be conducted on the bases and methods which are in accordance with the Asset Valuation Guidelines. The Manager has engaged the Independent Property Valuer to carry out valuation of the Subject Properties as at 18 June 2024 (in the case of Paradigm Mall PJ and Paradigm Mall JB) and 25 June 2024 (in the case of Bukit Tinggi Shopping Centre), with the update valuation as at 31 December 2024. The fair value of the Subject Properties as at 31 December 2024 is RM2,437.0 million.

The Manager has yet to decide on the exact date for the next valuation for the Subject Properties, but in any event, such valuation will be carried out on or before 31 December 2025 in accordance with Paradigm REIT's valuation policy.

Please refer to the valuation certificate set out in Appendix A "Valuation Certificates" of this Prospectus, which is to be read together with the full valuation reports for the Subject Properties. Copies of the full valuation reports will be available for inspection at the registered office of the Manager for a period of 12 months from the date of this Prospectus.

1.9 FINANCING LIMITATIONS AND GEARING POLICY

Paradigm REIT may obtain financing of up to 50% of the Total Asset Value of Paradigm REIT at the time the financing is incurred (or such other limit permitted by the REIT Guidelines from time to time).

Upon Listing, based on Paradigm REIT's Pro Forma Statement of Financial Position, Paradigm REIT will have a total indebtedness of approximately RM841.7 million representing approximately 34.0% of its estimated Total Asset Value of RM2,475.6 million.

Further details of Paradigm REIT's financing are set out in Section 3.8 "REIT Financing" of this Prospectus.

1. DETAILED INFORMATION ON PARADIGM REIT (Cont'd)

1.10 INTELLECTUAL PROPERTY

Upon the completion of the SPAs, WCTMM will assign and transfer the following trademarks in favour of the Trustee via a deed of assignment to be filed with the Register of Trademarks:

Trademark	Registration number	Class of Goods/Services	Status
	2011050809	Class 35 ⁽¹⁾	Registered Expiring on 14 April 2031
	2017059839	Class 36 ⁽²⁾	Registered Expiring on 30 May 2027

Notes:

- (1) Class 35: Business management and business administration; Commercial management; Business management and administration of real estate, residential, industrial and commercial properties, offices, business centers, departmental stores, shopping centers, retail and wholesale outlets, buildings and property developments; Organization of conventions, conferences and exhibitions for business and commercial purposes; Business management in relation to commercial property; The bringing together for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods and services in departmental stores, shopping centers, retail and wholesale outlets; Business services relating to the operation and administration of shopping centres; Business management services relating to the operation of shopping centres; Business operation and administration of shopping centres; The bringing together for the benefit of others, of a variety of retail outlets; Compilation of business directories and business guides; Data processing; Compilation and provision of business data, database services for businesses, and data retrieval services, all for information, images, audio material and text; Direct mail advertising; Advertising services; Television advertising; Display services for merchandise; Window dressing; Publicity services; Preparation and issuing of publicity materials advertising and publicity services; Rental of advertising space; Marketing and promotional services; Public relations services, dissemination of advertising matter; Advertising services provided over the internet; Product marketing through computer networks; Organisation, operation and supervision of sales and promotional schemes (for others); Administration relating to sales methods; Organisation and management of incentive and sales promotion programmes (frequent buyer programmes); Sales promotion (for others); Sales promotion services; Sales promotion through customer loyalty programmes (for others); Sales promotion at point of purchase or sale (for others); Sales promotion by issuing redeemable coupons (for others); Organisation of business competitions; Preparation of reports; Information, advisory and consultancy services relating to the aforesaid; Business and market statistical information; Provision of information relating to trade development and business opportunity; All included in Class 35.
- (2) Class 36: Accommodation bureaux (apartments); Apartment house management; Real Estate Appraisal; Capital investments; Real estate agencies; Real estate management; Financial evaluation (insurance, banking, real estate); Housing agents; Leasing of real estate; Real estate brokers; Loans (financing); All included in Class 36.

1. DETAILED INFORMATION ON PARADIGM REIT *(Cont'd)*

Following the registration of the Trustee (on behalf of Paradigm REIT) as the registered proprietor of the trademarks with the Intellectual Property Corporation of Malaysia, the full benefits, property, right, interest, title and goodwill in and of the trademarks, including all common law rights connected therewith, shall vest in the Trustee (on behalf of Paradigm REIT).

The Trustee will then hold the trademarks and all rights and interests in relation thereto and pursuant to and arising from the deed of assignment on trust for Paradigm REIT and for the benefit of the holders of the Units in accordance with the terms and conditions of the Deed.

2. SUBJECT PROPERTIES

2.1 OVERVIEW OF THE SUBJECT PROPERTIES

Paradigm REIT's initial asset portfolio will, on the Listing Date, comprise the following 3 retail properties:

- (i) Bukit Tinggi Shopping Centre;
- (ii) Paradigm Mall PJ; and
- (iii) Paradigm Mall JB.

Bukit Tinggi Shopping Centre is a retail mall comprising 3 levels of retail area with a mezzanine floor and car park facilities at the surface, basement, elevated and rooftop level(s). Bukit Tinggi Shopping Centre opened in 2008 and is located at No. 1, Persiaran Batu Nilam 1/KS 6, Bandar Bukit Tinggi 2, 41200 Klang, Selangor. As at the LPD, Bukit Tinggi Shopping Centre has a total GLA of 1,000,950 sq ft.

Paradigm Mall PJ is a retail mall comprising 6 retail levels with a lower ground floor and 2 basement car park levels along with 2 retail levels sited below the existing Le Meridien Petaling Jaya and The Azure Residences. Paradigm Mall PJ opened in 2012 and is located at No. 1, Jalan SS7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor. As at the LPD, Paradigm Mall PJ has a total NLA of 680,048 sq ft.

Paradigm Mall JB is a retail mall comprising 6 retail levels with a mezzanine floor and a level of cinema and convention centre along with basement and elevated car park levels. Paradigm Mall JB opened in 2017 and is located at Lot 32665, Jalan Mewah Ria 2, Taman Bukit Mewah, 81200 Johor Bahru, Johor. As at the LPD, Paradigm Mall JB has a total NLA of 1,292,956 sq ft.

Location of the Subject Properties in Peninsular Malaysia



2. SUBJECT PROPERTIES (Cont'd)

Certain details of the Subject Properties are set out in the table below:

	Bukit Tinggi Shopping Centre	Paradigm Mall PJ	Paradigm Mall JB
Land area	106,400 square meters (equivalent to approximately 1,145,280 sq ft) ⁽¹⁾	56,570 square meters (equivalent to approximately 608,914 sq ft) ⁽²⁾	50,107 square meters (equivalent to approximately 539,347 sq ft) ⁽³⁾
Tenure	Interest in perpetuity	Leasehold interest, expiring on 9 February 2111	Interest in perpetuity
Land title particulars	Lot 186125 held under Title No. GRN 338914, Mukim and District of Klang, Selangor Darul Ehsan	Strata Title No(s). PN107088/M1-A/1/2 together with Accessory Parcel No(s). A4 – A22 (inclusive), A24 – A39 (inclusive), A42 – A44 (inclusive), A46, A553, A555 and A557 – A560 (inclusive); PN 107088/M1/B2/1 together with Accessory Parcel No. A23; and PN 107088/M1-B/3/5 together with Accessory Parcel No(s). A47 and A49, all sited on Parent Lot 72658 Seksyen 40, Town of Petaling Jaya, District of Petaling, Selangor Darul Ehsan	Strata Title No. Geran 413471/M1/B1/1 together with Accessory Parcel No(s). A1-A10 (inclusive), A12, A29, A33-A35 (inclusive), A47-A56 (inclusive), A62, A63, A65-A78 (inclusive), A84-A86 (inclusive), A89-A97 (inclusive), A103, A104, A107-A115 (inclusive), A121, A122, A125-A133 (inclusive), A139, A140, A143-A152 (inclusive), A158, A159, A162-A168 (inclusive), A171-A173 (inclusive), A217-A220 (inclusive), A319, A526-A529 (inclusive), A531, A532, A538-A540 (inclusive), A546, A552, A553, A555-A559 (inclusive), A574-A589 (inclusive), A591 and A596, sited on Parent Lot 32665, Mukim of Tebrau, District of Johor Bahru, Johor Darul Takzim
Share units of the parcel/ Total share units⁽⁴⁾	Not applicable	218,745 / 390,131	375,372 / 429,774
Encumbrances and other material endorsements	- The land is charged to Malaysian Trustees Berhad vide presentation No. 001SC33606/2023, registered on 18 April 2023; and - Lease granted in favour of AEON for a period of 6 years commencing from 24 November 2023 and expiring on 23 November 2029, vide presentation no. 00SC169448/2024, registered on 6 September 2024 (“AEON Lease”).	- Charged to Malaysian Trustees Berhad vide Presentation No. 00SC111888/2023 registered on 15 November 2023; in respect of Strata Title No(s). PN 107088/M1/B2/1 and PN 107088/M1-B/3/5; and - Charged to Malaysian Trustees Berhad vide Presentation No. 002SC99428/2023 registered on 17 October 2023; in respect of Strata Title No. PN 107088/M1-A/1/2.	Charged to RHB Islamic Bank Berhad vide Presentation No. 15080/2025 registered on 21 February 2025. The above encumbrance will be discharged upon Listing.

2. SUBJECT PROPERTIES (Cont'd)

	Bukit Tinggi Shopping Centre	Paradigm Mall PJ	Paradigm Mall JB
	Save for the AEON Lease which will be novated to the Trustee on behalf of Paradigm REIT, the above encumbrance will be discharged upon Listing.	The above encumbrances will be discharged upon Listing.	
Restrictions in interest	Nil	The land can be transferred, leased or charged upon obtaining the approval from the State Authority.	- The owner of the land is not allowed to sell the parcels to be built on the land, unless the building is built in accordance with the building plans approved by the relevant local authorities. - Once the ownership of the land is subdivided and transferred to a Bumiputera or Bumiputera company, the land cannot be sold, leased, charged or transferred in any manner to a non-Bumiputera or non-Bumiputera company without the prior approval of the State Authority.
Express conditions	Commercial building	Commercial	- The land is only allowed to be used for hotels, service apartments and permanent retail complexes based on the building plan approved by the relevant local authorities. - All dirt and pollution resulting from the activities must be channelled to the locations as may be determined by the relevant local authorities. - All policies and conditions established and enforced by the relevant authorities from time to time must be complied with.
Existing use	Retail complex	Retail complex	Retail complex
Category of land use	Building	Building ⁽²⁾	Building ⁽³⁾
Type	Retail	Retail	Retail

2. SUBJECT PROPERTIES (Cont'd)

	Bukit Tinggi Shopping Centre	Paradigm Mall PJ	Paradigm Mall JB
Age of Subject Property as at 31 March 2025	Approximately 16 years	Approximately 12 years	Approximately 7 years
Total Revenue (RM'000)	FYE 2022: 42,278 FYE 2023: 44,170 FYE 2024: 46,996	FYE 2022: 45,911 FYE 2023: 55,323 FYE 2024: 59,062	FYE 2022: 73,442 FYE 2023: 90,682 FYE 2024: 112,683
NPI (RM'000)	FYE 2022: 34,080 FYE 2023: 36,097 FYE 2024: 39,212	FYE 2022: 26,656 FYE 2023: 31,496 FYE 2024: 35,424	FYE 2022: 44,757 FYE 2023: 49,121 FYE 2024: 72,588
Appraised Value (RM' million)⁽⁵⁾	680.0	600.0	1,157.0
Purchase consideration (RM' million)	680.0	600.0	1,157.0
GLA / NLA			
- As at the dates of initial valuation⁽⁵⁾ (sq ft)	GLA: 1,000,950 ⁽⁷⁾	NLA: 680,177 ⁽⁹⁾	NLA: 1,291,165 ⁽⁹⁾
- As at the date of update valuation⁽⁶⁾ (sq ft)	GLA: 1,000,950 ⁽⁸⁾	NLA: 680,048 ⁽⁹⁾	NLA: 1,293,260 ⁽⁹⁾
- As at 31 March 2025 (sq ft)	GLA: 1,000,950 ⁽⁸⁾	NLA: 680,048 ⁽⁹⁾	NLA: 1,292,956 ⁽⁹⁾
GFA / SFA			
- As at the dates of initial valuation⁽⁵⁾, update valuation⁽⁶⁾ and 31 March 2025 (sq ft)	GFA: 2,215,221	SFA: 2,304,682	SFA: 3,630,689
Number of tenants as at 31 March 2025	Bukit Tinggi Shopping Centre (excluding ancillary area) is leased to AEON as master lessee; and	273	449

2. SUBJECT PROPERTIES (Cont'd)

	Bukit Tinggi Shopping Centre	Paradigm Mall PJ	Paradigm Mall JB
	Ancillary area - 9.		
Occupancy Rate as at 31 March 2025 (%)	100.0	97.7	99.3
Number of car park bays as at 31 March 2025	3,343	2,343	3,370

Notes:

- (1) Part of the land measuring about 17,605.17 square metres has been designated and used as service road, which will be surrendered to local authority in due course.
- (2) Based on the Parent Lot 72658 Seksyen 40, Bandar Petaling Jaya, District of Petaling, Selangor Darul Ehsan.
- (3) Based on the Parent Lot 32665, Mukim Tebrau, District of Johor Bahru, Johor Darul Takzim.
- (4) Total share units referred to as aggregate share units in the Strata Titles Act 1985 is defined as the sum of the share units of the parcels (including a provisional block) shown in an approved strata plan. In respect of Paradigm PJ, the total share units comprise Paradigm Mall PJ, Le Méridien Petaling Jaya, The Ascent, The Azure Residences, Sapphire Paradigm and elevated car park podium of the Ascent. In respect of Paradigm JB, the total share units comprise Paradigm Mall JB, Paradigm Residence Johor Bahru and Hyatt Place Johor Bahru.
- (5) Based on the dates of initial valuation as at 25 June 2024 for Bukit Tinggi Shopping Centre, and 18 June 2024 for Paradigm Mall PJ and Paradigm Mall JB.
- (6) Based on the date of update valuation as at 31 December 2024 for the Subject Properties.
- (7) Excluding ancillary area of 7,890 sq ft.
- (8) Excluding ancillary area of 7,490 sq ft.
- (9) The difference in NLA between the dates of initial valuation, update valuation and 31 March 2025 for Paradigm Mall PJ and Paradigm Mall JB is due to the reconfiguration of space by the respective Vendors to improve the efficiency of the lettable area of Paradigm Mall PJ and Paradigm Mall JB.

2. SUBJECT PROPERTIES (Cont'd)

2.1.1 Total Revenue, Gross Rental Income and NPI

The Total Revenue, Gross Rental Income and NPI of the Subject Properties for the FYE 2022 to the FYE 2024 are set out below.

Subject Properties	FYE 2022		
	Total Revenue (RM'000)	Gross Rental Income (RM'000)	NPI (RM'000)
Bukit Tinggi Shopping Centre	42,278	36,034	34,080
Paradigm Mall PJ	45,911	45,060	26,656
Paradigm Mall JB	73,442	69,066	44,757
Total	161,631	150,160	105,493

Subject Properties	FYE 2023		
	Total Revenue (RM'000)	Gross Rental Income (RM'000)	NPI (RM'000)
Bukit Tinggi Shopping Centre	44,170	36,219	36,097
Paradigm Mall PJ	55,323	46,225	31,496
Paradigm Mall JB	90,682	77,798	49,121
Total	190,175	160,242	116,714

Subject Properties	FYE 2024		
	Total Revenue (RM'000)	Gross Rental Income (RM'000)	NPI (RM'000)
Bukit Tinggi Shopping Centre	46,996	37,898	39,212
Paradigm Mall PJ	59,062	48,021	35,424
Paradigm Mall JB	112,683	93,309	72,588
Total	218,741	179,228	147,224

2. SUBJECT PROPERTIES (Cont'd)

2.1.2 Occupancy profile

Average Occupancy Rates

The following table set out the Average Occupancy Rates of the Subject Properties for the FYE 2022 to the FYE 2024 and the period from 1 January 2025 up to 31 March 2025:

Subject Properties	FYE 2022 (%)	FYE 2023 (%)	FYE 2024 (%)	From 1 January 2025 up to 31 March 2025 (%)
Bukit Tinggi Shopping Centre ⁽¹⁾	100.0	100.0	100.0	100.0
Paradigm Mall PJ	97.2	97.1	97.8	97.9
Paradigm Mall JB	87.9	93.8	97.9	99.2
Total⁽²⁾	95.0	96.9	98.6	99.0

Notes:

- (1) *Bukit Tinggi Shopping Centre (excluding ancillary area) is leased to AEON as master lessee.*
- (2) *Computed based on the average of the individual Average Occupancy Rates of the Subject Properties.*

2. SUBJECT PROPERTIES (Cont'd)

2.2.3 Description

Bukit Tinggi Shopping Centre is a retail mall comprising 3 levels of retail area with a mezzanine floor and car park facilities at the surface, basement, elevated and rooftop levels. Bukit Tinggi Shopping Centre was opened in 2008 and located at No.1, Persiaran Batu Nilam 1/KS 6, Bandar Bukit Tinggi 2, 41200 Klang, Selangor.

Bukit Tinggi Shopping Centre is located in the integrated and mature township development of Bandar Bukit Tinggi in Klang, Selangor. It is located approximately 50 kilometres west of the centre of Kuala Lumpur and 30 kilometres from Petaling Jaya, Selangor. It is highly accessible via major highways such as the Shah Alam Expressway (alternatively known as the Konsortium Expressway Shah Alam Selangor (KESAS) Highway) which connects to a wide range of highway networks in the Klang Valley. In addition to road connectivity, Bukit Tinggi Shopping Centre will also be accessible upon the completion of the ongoing construction of the LRT3 which will be directly connected to Bukit Tinggi Shopping Centre via Bandar Bukit Tinggi Station.

Beside Bukit Tinggi Shopping Centre is an integrated development comprising corporate office suites known as 'The Landmark', service apartments and retail shops known as 'Impiria Residensi' as well as a boutique hotel known as 'The Canvas Hotel and Suites'. The Landmark, Impiria Residences and Canvas Hotel and Suites are directly linked to Bukit Tinggi Shopping Centre via skybridges.

Approximately 1,000,950 sq ft out of a total 2,215,221 sq ft of GFA of Bukit Tinggi Shopping Centre (excluding ancillary area) is being leased to AEON as master lessee ("**AEON Premises**").

AEON is a leading retailer in Malaysia with a total revenue of approximately RM4.1 billion for the FYE 2023, and it has established itself as a leading chain of general merchandise stores, supermarket and malls. AEON is highly successful with its positioning towards Malaysia's vast middle income group that forms a majority of the population. The target market of AEON is local families, and this is the main factor for most of the AEON malls to be located in the suburb and secondary and tertiary cities in Malaysia.

The AEON Lease Agreement provides for fixed rental escalation with an option to renew upon expiry of the lease on 23 November 2029, thus ensuring a stable and growing income stream for the Unitholders. Pursuant to the AEON Lease Agreement, Bukit Tinggi Shopping Centre has a fixed rental step-up of 1.6% for the period commencing from 24 November 2024 to 23 November 2025 and another fixed rental step-up of 3.1% for the period commencing from 24 November 2025 to 23 November 2026. The rental commencing from 24 November 2026 will increase based on the prevailing market rate but not exceeding 12.0% of the last rental paid. The current lease with AEON expires on 23 November 2029 with an option to renew upon expiry of the lease for an additional 3 years based on the prevailing market rate but not exceeding 12% of the last rental paid.

AEON shall at its sole discretion, grant sub-tenancies or sub-leases in respect of the AEON Premises, be at liberty to select its own sub-lessees and sub-tenants and impose the rate of the rental accordingly. Save and except for structural defects, AEON is solely responsible at its own cost and expense for the comprehensive upkeep and maintenance of the AEON Premises.

Bukit Tinggi Shopping Centre is positioned as a neighbourhood mall offering daily necessities and lifestyle needs. Apart from AEON being its major tenant, Bukit Tinggi Shopping Centre offers a wide array of food and beverage outlets through its sub-tenants such as BananaBro, Jollibee, Sushi Zanmai and OLDTOWN White Coffee along with other reputable sub-tenants such as Adidas, Cotton On and Harvey Norman. The trade sector mix is crafted to serve the daily needs of the socio-demographic of the residents in Bandar Bukit Tinggi.

2. SUBJECT PROPERTIES (Cont'd)

In addition to the lease granted to AEON, Paradigm REIT diversifies its revenue streams by capitalising on its ancillary areas (measuring 7,490 sq ft) and car park facilities and improves the NPI of Bukit Tinggi Shopping Centre through premium parking valet services and a range of events. These include outdoor gatherings, vibrant bazaars, and food festivals to boost foot traffic and also enhance the overall shopping experience, driving additional income for Paradigm REIT.

2.2.4 Tenant profile of Bukit Tinggi Shopping Centre

Bukit Tinggi Shopping Centre (excluding ancillary area) is leased to AEON as master lessee, with a lease term expiring on 23 November 2029 and with an option to renew upon expiry of the lease for an additional 3 years. Being the master lessee, AEON is the major contributor to Bukit Tinggi Shopping Centre's Gross Rental Income.

2.2.5 Major expansion and renovation of Bukit Tinggi Shopping Centre

During the year of 2024 up to the LPD, GWSB completed major upgrading works within the car park areas of Bukit Tinggi Shopping Centre which included increasing the capacity of car park bays, resurfacing of the ground floor car park, repainting of the rooftop car park and installation of LED lighting to brighten and improve energy efficiency.

In addition to the above, GWSB has planned for the following upgrading works for Bukit Tinggi Shopping Centre:

- (i) convert a portion of the third floor car park area of 98,622 sq ft into an indoor go-kart circuit which will be operated by Autoplay Group Sdn Bhd, aimed at increasing the footfall in Bukit Tinggi Shopping Centre. As at the LPD, GWSB has submitted a building plan for the go-kart circuit to both Jabatan Perancang and Fire and Rescue Department of Malaysia ("**Bomba Malaysia**") and has obtained the conditional approval from Jabatan Perancang on 21 February 2025 ("**Jabatan Perancang Approval**") and approval from Bomba Malaysia on 3 March 2025. GWSB will fulfil all the conditions set out in the Jabatan Perancang Approval and thereafter submit the building plan to Jabatan Bangunan for the issuance of certificate of completion and compliance (CCC). Barring any unforeseen circumstances, the indoor go-kart is expected to commence operations in the end of 2nd quarter of 2025; and
- (ii) implement aesthetic upgrades such as painting the façade and enhancing the surrounding landscape, which is expected to be completed by GWSB by June 2025.

2.2.6 Future opportunities

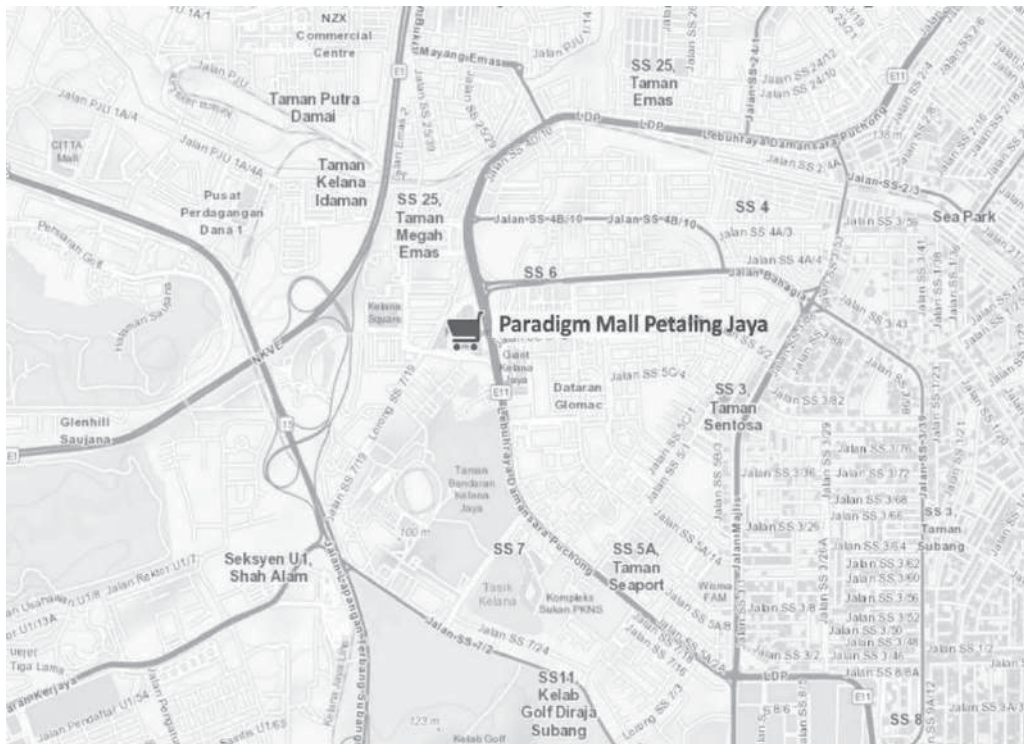
The anticipated completion of the LRT3 located next to Bukit Tinggi Shopping Centre in 2025 is expected to significantly improve accessibility and increase foot traffic to Bukit Tinggi Shopping Centre.

The Manager is dedicated to collaborate with third-party vendors to host a variety of events, including outdoor gatherings, bazaars, and food festivals, throughout the year in the open car park areas surrounding the mall. This initiative aims to boost income while enhancing community engagement. Additionally, the Manager plans to expand the GFA of the compound, which may increase the GLA of Bukit Tinggi Shopping Centre and create more opportunities for revenue generation. Through these strategies, the Manager seeks to maximise the mall's potential and foster a vibrant environment for shoppers and vendors alike.

In the years beyond 2025, the Manager plans to implement a solar photovoltaic system on the rooftop of Bukit Tinggi Shopping Centre to achieve further cost savings. This initiative is aligned with the Manager's commitment to promote clean energy and sustainability, contributing to a more energy efficient future.

2. SUBJECT PROPERTIES (Cont'd)

2.3 PARADIGM MALL PJ



2.3.1 Vendor

Jelas Puri Sdn Bhd

2.3.2 Address

No. 1, Jalan SS7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor.

2. SUBJECT PROPERTIES (Cont'd)

2.3.3 Description

Paradigm Mall PJ is a retail mall comprising 6 retail levels with a lower ground floor and 2 basement car park levels along with 2 retail levels sited below the existing Le Meridien Petaling Jaya and The Azure Residences, located in the core of Petaling Jaya, Selangor. Paradigm Mall PJ is a highly visible landmark in Petaling Jaya, Selangor being situated along the Lebuhraya Damansara-Puchong Highway (LDP). Paradigm Mall PJ is also accessible via the New Klang Valley Expressway (NKVE), SPRINT Highway, the New Pantai Expressway (NPE) as well as the Federal Highway making it highly accessible to its visitors based in Petaling Jaya or Kuala Lumpur.

Paradigm Mall PJ is the key component of the integrated commercial development located within Kelana Jaya of Petaling Jaya that includes a 32-storey office tower known as The Ascent, offering an NLA of 502,837 sq ft and serviced residences, The Azure Residences, featuring 189 residential units, and Sapphire Paradigm, featuring 229 residential units, as well as Le Meridien Petaling Jaya, featuring 300 rooms, complementing the office and residential components.

Further, Paradigm Mall PJ is highly connected through various transportation links such as the Kelana Jaya LRT Station making it easily accessible to its visitors and/or students from nearby universities.

Petaling Jaya is a mature township and the residents in the area are mostly families and individuals from the middle or upper-income level groups. Other notable residential developments include The Arcuz, and High Park Suites which are nearby established neighbourhoods such as Kelana Jaya, Bandar Utama, and Damansara, ensuring a steady flow of footfall from nearby residents and visitors from other parts of Petaling Jaya to Paradigm Mall PJ.

Paradigm Mall PJ positions itself as a family-friendly neighbourhood mall and features 273 tenants as at 31 March 2025 and its major tenants include Lotus's, Golden Screen Cinemas, Harvey Norman, Escape Challenge, Marks & Spencer and H&M.

2.3.4 Tenant profile

Top 10 tenants

The top 10 tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of Paradigm Mall PJ as at 31 March 2025 are set out below. The top 10 tenants contributed an aggregate of 19.5% to Gross Rental Income of Paradigm Mall PJ for the month of March 2025 and occupy an aggregate of 43.8% of Occupied NLA of Paradigm Mall PJ as at 31 March 2025.

2. SUBJECT PROPERTIES (Cont'd)

Tenants by trade name	Trade sector	Percentage of Occupied NLA (%)
Lotus's	Supermarket & departmental store	12.9
Golden Screen Cinemas	Entertainment and amusement	6.1
Harvey Norman	IT, electronics and home furnishing	4.9
Escape Challenge	Entertainment and amusement	4.3
Marks & Spencer	Fashion	3.6
H&M	Fashion	2.8
Fitness First	Pharmacy, beauty, health and fitness	2.6
Padini Concept Store	Fashion	2.4
Popular	Bookstore, gifts and souvenirs	2.2
Brands Outlet	Fashion	2.0
Subtotal		43.8
Others		56.2
Total		100.00

Trade sector analysis

The table below provides a breakdown of the different trade sectors represented in Paradigm Mall PJ by percentage of Occupied NLA as at 31 March 2025 and percentage of Gross Rental Income for the month of March 2025.

Trade sector	Percentage of Occupied NLA (%)	Percentage of Gross Rental Income (%)
Food and beverage	19.7	34.2
Fashion	20.3	13.6
IT, electronics and home furnishing	13.1	11.6
Supermarket and departmental store	12.9	5.6
Entertainment and amusement	13.0	5.2
Service	6.3	10.8
Sports and specialty shops	5.2	7.0
Pharmacy, beauty, health and fitness	4.2	5.0
Bookstore, gifts and souvenirs	4.0	3.0
Optical, jewellery and timepiece	1.3	4.0
Total	100.0	100.0

2. SUBJECT PROPERTIES (Cont'd)

2.3.5 Average Occupancy Rate

The table below sets out the Average Occupancy Rate of Paradigm Mall PJ for the FYE 2022 to the FYE 2024 and the period from 1 January 2025 up to 31 March 2025.

Period	Average Occupancy Rate (%)
FYE 2022	97.2
FYE 2023	97.1
FYE 2024	97.8
From 1 January 2025 up to 31 March 2025	97.9

2.3.6 Tenancy expiry profile of Paradigm Mall PJ

The table below illustrates Paradigm Mall PJ's expired tenancies and retention rates of expired tenancies by NLA for the FYE 2022 to the FYE 2024 and the period from 1 January 2025 up to 31 March 2025.

Period	NLA of expired tenancies (sq ft)	Retention rates by NLA of expired tenancies (%)
FYE 2022	146,328	89.1
FYE 2023	160,549	91.5
FYE 2024	394,509	92.0
From 1 January 2025 up to 31 March 2025	21,247	98.1

The table below illustrates the tenancy expiry profile of Paradigm Mall PJ for the period from 1 April 2025 up to 31 December 2025 and each of the years from FYE 2026 to the FYE 2029 and thereafter.

Period	Percentage of Occupied NLA expiring ⁽¹⁾ (%)	Percentage of Gross Rental Income expiring ⁽²⁾ (%)
From 1 April 2025 up to 31 December 2025	24.4	21.9
FYE 2026	24.5	28.2
FYE 2027	48.6	46.8
FYE 2028	2.5	3.1
FYE 2029 and thereafter	-	-
Total	100.0	100.0

Notes:

(1) Based on Occupied NLA as at 31 March 2025.

(2) Based on Gross Rental Income for the month of March 2025.

2. SUBJECT PROPERTIES (Cont'd)

2.3.7 Major expansion and renovation of Paradigm Mall PJ

During the year of 2024 up to the LPD, JPSB completed the following major asset enhancements:

- (i) converted common areas for additional retail space and into food & beverage kiosks to improve variety of tenants for shoppers, as follows;

Trade sector	Floor	Size (sq ft)
Food and beverage	Lower Ground	100
Food and beverage	UG Floor	179
Sports, pop up and speciality shops	Second floor	140
Total		419

- (ii) modification of layout of the concourse level and rearrangement of tenant units for better visibility of retail stores as well as repainting of the walls within Paradigm Mall PJ;
- (iii) upgraded the facilities and amenities such as upgraded the restrooms and improved the air conditioning by including energy efficiency units in the corridors and concourse area to improve visitor comfort; and
- (iv) included new ceiling fixtures and enhanced mood lighting, and installed additional mall directional signage.

In addition to the above, JPSB has planned for the following upgrading works for Paradigm Mall PJ:

- (a) install LED screen in Paradigm Mall PJ to provide additional avenues for digital marketing, contributing to additional advertising and promotional income; and
- (b) undergo aesthetic upgrades such as exterior painting work for Paradigm Mall PJ which has commenced on February 2025.

These planned upgrades for Paradigm Mall PJ will be carried out and completed by JPSB by July 2025.

2.3.8 Future opportunities

The Manager intends to refine the trade sectors and tenant mix at Paradigm Mall PJ to better serve the local population in Petaling Jaya. This will involve introducing new tenants to expand entertainment zones in line with the featuring of the Escape Challenge amusement park and enhance food and beverage offerings, including both everyday dining and event hosting to cater to diverse consumer preferences and create a more engaging and versatile shopping experience.

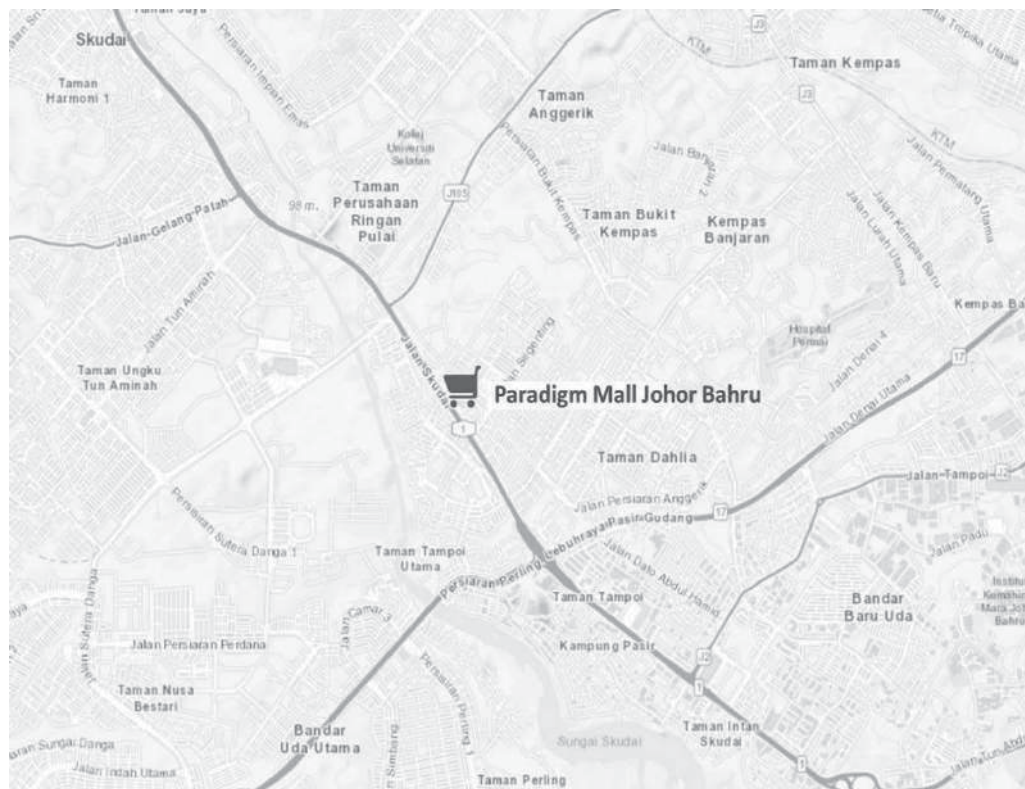
To ensure Paradigm Mall PJ remains competitive and attractive to a broad demographic, the Manager intends to continuously monitor market trends and consumer behaviour to meet evolving demands and preferences, thereby maintaining Paradigm Mall PJ's relevance in a dynamic retail environment.

The Manager will continue to engage and collaborate with various third-party event organisers. These partnerships, involving tourism companies, non-governmental organisations and expatriate vendors are crucial for exploring and hosting culturally significant campaigns and events. By targeting niche markets through these collaborations, Paradigm Mall PJ aims to increase foot traffic and attract a wider range of visitors.

2. SUBJECT PROPERTIES (Cont'd)

Additionally, the Manager will continuously reconfigure the layout to improve the efficiency of the lettable area as tenancies expire in order to create new shopping experiences and increase rental rates as well as reconfigure unproductive space to improve leasing potential where there is demand for such space from existing and/or new tenants and effective advertising platform, which includes digital billboards or static displays.

PARADIGM MALL JB



2. SUBJECT PROPERTIES (Cont'd)

2.4.1 Vendor

WCT Hartanah Jaya Sdn Bhd

2.4.2 Address

Lot 32665, Jalan Mewah Ria 2, Taman Bukit Mewah, 81200 Johor Bahru, Johor.

2.4.3 Description

Paradigm Mall JB is a retail mall comprising 6 retail levels with a mezzanine floor and a level of cinema and convention centre along with basement and elevated car park levels located in the Iskandar Malaysia and along Jalan Skudai (Skudai Highway), Taman Bukit Mewah, Johor Bahru. Paradigm Mall JB is a highly visible landmark being the largest shopping centre in the township of Skudai, Johor.

Paradigm Mall JB is accessible via Skudai Highway, one of the busiest main thoroughfares that connects the north and south of Johor Bahru. It is easily accessible from Johor Bahru City Centre, Pasir Gudang Highway, North South Highway, the Second Link Expressway and thereafter onto Skudai Highway followed by flyover leading to Paradigm Mall JB and approximately 20-minute drive from the Woodlands Checkpoint of Singapore, encouraging foot traffic from Singaporean tourists.

Skudai is a mature township and the residents in the area are mostly families and individuals from the middle or upper-income level groups. Nearby residential developments include Taman Bukit Mewah, Taman Impian Emas, Taman Setia Tropika, Taman Ungku Tun Aminah and Taman Bukit Indah, all of which are located within a 10-kilometre radius from Paradigm Mall JB. Hyatt Place Hotel and Paradigm Residence are also situated on top of Paradigm Mall JB with approximately 204 rooms and 263 residential units, respectively, contributing to the footfall of Paradigm Mall JB.

Tenant profile of Paradigm Mall JB

Top 10 tenants of Paradigm Mall JB

The top 10 tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of Paradigm Mall JB as at 31 March 2025 are set out below. The top 10 tenants contributed an aggregate of 17.9% to Gross Rental Income of Paradigm Mall JB for the month of March 2025 and occupy an aggregate of 37.1% of Occupied NLA of Paradigm Mall JB as at 31 March 2025.

2. SUBJECT PROPERTIES (Cont'd)

Tenants by trade name	Trade sector	Percentage of Occupied NLA (%)
Parkson	Supermarket and departmental store	11.5
HomePro	IT, electronics and home furnishing	5.1
Golden Screen Cinemas	Entertainment and amusement	4.8
Harvey Norman	IT, electronics and home furnishing	3.5
Village Grocer	Supermarket and departmental store	2.7
Grand Sen Q	IT, electronics and home furnishing	2.2
RUMA	IT, electronics and home furnishing	2.1
Food Arcade	Food and beverage	1.9
Blue Ice Skating Rink @ Paradigm Mall Johor Bahru	Entertainment and amusement	1.8
Mythos & Showroom	Fashion	1.5
Subtotal		37.1
Others		62.9
Total		100.0

2. SUBJECT PROPERTIES (Cont'd)

Trade sector analysis of Paradigm Mall JB

The table below provides a breakdown of the different trade sectors represented in Paradigm Mall JB by percentage of Occupied NLA as at 31 March 2025 and percentage of Gross Rental Income for the month of March 2025.

Trade sector	Percentage of Occupied NLA	Percentage of Gross Rental Income
	(%)	(%)
IT, electronics and home furnishing	20.7	14.3
Fashion	16.9	17.3
Entertainment and amusement	14.9	10.0
Supermarket and departmental store	14.2	4.9
Food and beverage	13.1	23.0
Sports and specialty shops	9.4	10.5
Service	4.6	7.7
Pharmacy, beauty, health and fitness	1.9	4.9
Bookstore, gifts and souvenirs	2.9	3.2
Optical, jewellery and timepiece	1.4	4.2
Total	100.0	100.0

2.4.5 Average Occupancy Rate

The table below sets out the Average Occupancy Rate of Paradigm Mall JB for the FYE 2022 to the FYE 2024 and the period from 1 January 2025 up to 31 March 2025.

Period	Average Occupancy Rate
	(%)
FYE 2022	87.9
FYE 2023	93.8
FYE 2024	97.9
From 1 January 2025 up to 31 March 2025	99.2

2. SUBJECT PROPERTIES (Cont'd)

2.4.6 Tenancy expiry profile of Paradigm Mall JB

The table below illustrates Paradigm Mall JB's expired tenancies and retention rates of expired tenancies for the FYE 2022 to the FYE 2024 and the period from 1 January 2025 up to 31 March 2025.

Period	NLA of expired tenancies (sq ft)	Retention rates by NLA of expired tenancies (%)
FYE 2022	327,742	94.4
FYE 2023	558,932	92.8
FYE 2024	348,013	90.0
From 1 January 2025 up to 31 March 2025	40,158	30.9 ⁽¹⁾

Note:

(1) The lower retention rate during the period was due to the replacement of certain existing tenants with new tenants. Approximately 96.4% of the NLA of non-renewed tenancies have been replaced with new tenants.

The table below illustrates the tenancy expiry profile of Paradigm Mall JB for the period from 1 April 2025 up to 31 December 2025 and each of the years from FYE 2026 to the FYE 2029 and thereafter.

Period	Percentage of Occupied NLA expiring ⁽¹⁾ (%)	Percentage of Gross Rental Income expiring ⁽²⁾ (%)
From 1 April 2025 up to 31 December 2025	12.2	19.9
FYE 2026	55.1	54.5
FYE 2027	29.0	23.0
FYE 2028	3.3	2.4
FYE 2029 and thereafter	0.4	0.2
Total	100.0	100.0

Notes:

(1) Based on Occupied NLA as at 31 March 2025.

(2) Based on Gross Rental Income for the month of March 2025.

2. SUBJECT PROPERTIES (Cont'd)

2.4.7 Major expansion and renovation of Paradigm Mall JB

During the year of 2024 up to the LPD, WCTHJ had completed the following major asset enhancements:

- (i) installation of car park guidance systems and seamless payment gateways for car park payments, installation of digital signage displays and the reconfiguration of tenant units to increase NLA and boost rental income. While some repainting and touch-up work for walls within Paradigm Mall JB have been and will continue to be carried out as part of its ongoing asset enhancement initiative, major interior painting work for PMJB has commenced in March 2025 and is targeted to be completed by the 3rd quarter of 2025.
- (ii) converted common areas for additional retail space, food & beverages and services outlets to improve variety of tenants for shoppers, as follows:

Trade sector	Floor	Size (sq ft)
Food and beverage	Ground and UG Floor	816
Fashion	Ground Floor	227
IT Electronic and Home Furnishing	Fourth Floor	805
Services	Ground and Fourth Floor	2,627
Total		4,475

- (iii) installed further chiller optimisation initiatives to improve visitor comfort; and
- (iv) installation of solar photovoltaic system with capacity of up to 1,109.79 kWp on the rooftop of Paradigm Mall JB to improve utility cost savings.

In addition, WCTHJ has planned for the following upgrading works for Paradigm Mall JB:

- (a) upgrade of restrooms; and
- (b) upgrade of car park facilities to install license-plate recognition at gateway entrances of the mall.

These planned upgrades for Paradigm Mall JB will be carried out and completed by WCTHJ by the 3rd quarter of 2025.

2.4.8 Future opportunities

In response to the growing popularity of lifestyle malls that cater to both recreational and experiential needs, Paradigm Mall JB has developed a range of engaging facilities featuring an indoor roller skating rink called 'Roll On', an indoor climbing facility called 'Camp5' and a trampoline park called 'Utopia Jungle World'.

Building on the trend of developing lifestyle malls, WCTHJ had introduced an indoor version of the Escape Challenge amusement park which will be operated by Sim Leisure Escape Sdn Bhd. Following the soft launch on 30 October 2024, three attractions were open to the public and additional attractions are set to progressively open in the coming months. The full development of the Escape Challenge, expected to be completed by the 2nd quarter of 2025, aims to attract youth and young families, further enhancing the mall's appeal as a recreational destination to local and international visitors of Paradigm Mall JB. The Escape Challenge will provide an immersive experience, aligning with the mall's strategy to cater to diverse interests and increase its recreational offerings.

2. SUBJECT PROPERTIES (Cont'd)

The Manager intends to enhance Paradigm Mall JB's commercial appeal and operational efficiency by increasing Paradigm Mall JB's NLA through reconfiguring existing spaces and open areas into leasable retail units and kiosks, and effective advertising platform, which includes digital billboards or static displays. This expansion aims to attract new tenants and diversify the mall's retail offerings, enhancing its overall marketability and generating additional rental income.

Overall, these enhancements are designed to broaden Paradigm Mall JB's appeal, attract a wider audience, and enrich the shopping experience, ensuring its continued prominence and success in the retail industry.

2.5 COMPETITIVE STRENGTHS AND INVESTMENT HIGHLIGHTS

The Manager believes that an investment in Paradigm REIT will offer the following investment attractions to the Unitholders:

2.5.1 Positioned to capitalise on positive macroeconomic and strong private consumption trends in Malaysia

The Manager believes that Paradigm REIT offers the Unitholders an exposure to the Malaysian domestic economy and the robust private consumption trend.

The Malaysian economy has demonstrated healthy expansion since 2015, with a CAGR of 3.8% between 2015 and 2024. The real GDP grew by 5.1% in 2024, rising from RM1,567,974 million in 2023 to RM1,648,163 million, based on constant 2015 prices.

For 2025, Malaysia's economy is expected to remain resilient, fueled by substantial investment, steady household spending, and continued export growth. Growth in investment activities will be propelled by the continuing development of long-term private and public projects, the successful execution of approved investments, and the implementation of key initiatives outlined in national master plans.

According to Department of Statistic Malaysia (DOSM), Malaysia's total retail trade sales value reached RM764.9 billion in 2024, the highest value achieved since 2016. Over the recent years, Malaysia's retail trade sector achieved a CAGR of 8.3% from 2016 to 2024. During this period, the country's sales value increased from RM403.8 billion in 2016 to RM764.9 billion in 2024.

Please refer to Appendix B "Independent Property Market Report" of this Prospectus for further details.

2.5.2 A geographically diversified portfolio with strategically located assets

The Subject Properties are located across 3 townships in Malaysia, making Paradigm REIT a geographically diversified Malaysian retail REIT. Due to the geographical diversification of the Subject Properties which is supported by a good catchment, well-developed infrastructure and various amenities, Paradigm REIT is exposed to various growth markets across numerous townships.

Bukit Tinggi Shopping Centre is a shopping mall located in the Bandar Bukit Tinggi township in Klang, Selangor. It is highly accessible via major highways such as the Shah Alam Expressway (alternatively known as the Konsortium Expressway Shah Alam Selangor (KESAS) Highway) which connects to a wide range of highway networks in the Klang Valley. The primary trade area, which is within a 5-kilometre radius surrounding Bukit Tinggi Shopping Centre, has an estimated resident population of 456,354 persons, representing approximately 38.8% of the population in the district of Klang and is within a mature residential development area such as Bandar Bukit Tinggi, Taman Botanic, Taman Klang Jaya and Bandar Puteri Klang, ensuring a readily available customer base, drawing in residents for their shopping needs.

2. SUBJECT PROPERTIES (Cont'd)

Paradigm Mall PJ is a shopping mall located in mature neighbourhood within a mixed-integrated development township in the core of Petaling Jaya. It is a highly visible landmark in Petaling Jaya, Selangor situated along the Lebuhraya Damansara-Puchong (LDP) making it highly accessible to its visitors. The primary trade area, which is within a 5-kilometre radius surrounding Paradigm Mall PJ, has an estimated resident population of 634,880 persons, representing approximately 26.9% of the population in the district of Petaling and prominent offices in close proximity to the mall providing a steady stream of footfall to the mall.

Paradigm Mall JB is the largest shopping centre located within the Iskandar Malaysia at the core of Johor Bahru. The adjacent mature townships of Paradigm Mall JB such as Taman Bukit Mewah, Taman Ungku Tun Aminah, Taman Sutera Utama and Taman Tampoi Indah are set to be the focal point of development at the Johor Bahru – Skudai – Senai growth corridor within the Iskandar Development Regions. Paradigm Mall JB is situated within approximately 10-minute drive from Johor Bahru City Centre with direct access to highways such as Skudai Highway, Pasir Gudang Highway, North-South Highway and Second Link Expressway. It is approximately 20-minute drive to Singapore Woodlands Checkpoint and approximately 30-minute drive to Senai International Airport. The primary trade area, which is within a 5-kilometre radius surrounding Paradigm Mall JB, has an estimated resident population of 308,831 persons, representing approximately 17.2% of the population in the district of Johor Bahru, drawing substantial footfall from the surrounding residential neighbourhoods such as Skudai, Setia Tropika, Taman Perling, Mutiara Rini, and Bandar Baru Uda.

2.5.3 Diversified and resilient portfolio offers income stability

The Subject Properties offer diversity in geographical reach, income contribution and tenant base, whilst enjoying high Average Occupancy Rates.

(i) Diversified and quality tenant base

As at the LPD, the Subject Properties have 723 tenants (including Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee), comprising well-established international and domestic retailers such as (in alphabetical order) Adidas, AEON, Golden Screen Cinemas, H&M, Harvey Norman, Nike, Parkson, Uniqlo and Lotus's.

AEON is one of the leading chains of general merchandise stores and supermarkets in Malaysia with a total revenue of RM4.1 billion for the FYE 2023. AEON operates 178 general merchandise stores and departmental stores cum supermarkets in Malaysia.¹

For the month of March 2025, the top 10 tenants of the Subject Properties (including Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee) accounted for 31.4% of the Subject Properties' Gross Rental Income.

Save for Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee and had contributed 21.4% to the Subject Properties' Gross Rental Income for the month of March 2025, no other single tenant contributed more than 5.0% to the Subject Properties' Gross Rental Income for the month of March 2025. Please refer to Sections 2.3.4 and 2.4.4 "Tenant Profile" of this Prospectus for the tenant profiles of Paradigm Mall PJ and Paradigm Mall JB respectively.

¹ Based on AEON Annual Report 2023.

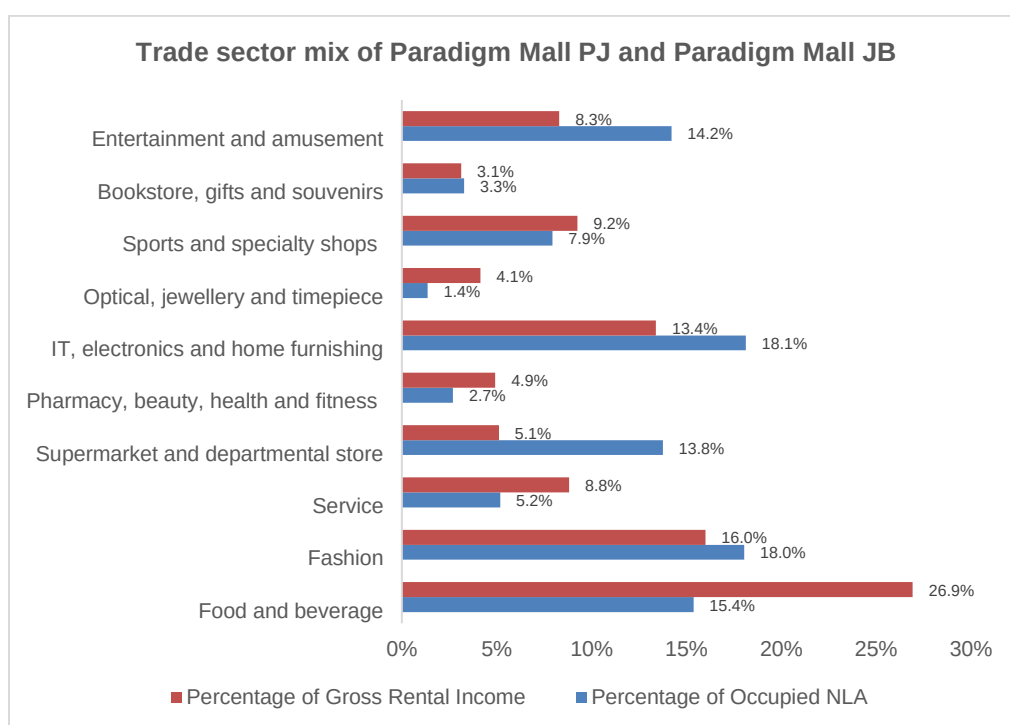
2. SUBJECT PROPERTIES (Cont'd)

(ii) Resilient trade sector mix

The Subject Properties offer exposure to a diversified, resilient and well-balanced trade sector mix.

The Subject Properties offer exposure to resilient trade sectors such as food and beverage and fashion stores. These 2 trade sectors accounted for 33.7% of the Subject Properties' Gross Rental Income for the month of March 2025 (including Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee). Excluding Bukit Tinggi Shopping Centre, the food and beverage and fashion sectors accounted for 42.9% of the Subject Properties' Gross Rental Income for the month of March 2025.

The following table sets out information on the trade sector mix for Paradigm Mall PJ and Paradigm Mall JB by percentage of Occupied NLA as at 31 March 2025 and percentage of Gross Rental Income for the month of March 2025:



Further, the Manager intends to expand its experiential-based shopping offerings and recreational amenities such as those currently being offered in Paradigm Mall PJ and Paradigm Mall JB. This strategy aims to diversify the tenant mix, mitigate the effects of economic fluctuations on overall rental income, manage risks associated with specific business sectors, and attract a broader audience suitable for the Subject Properties.

Please refer to Sections 2.3.4 and 2.4.4 "Tenant Profile" of this Prospectus for the trade sector analysis of Paradigm Mall PJ and Paradigm Mall JB respectively.

2. SUBJECT PROPERTIES (Cont'd)

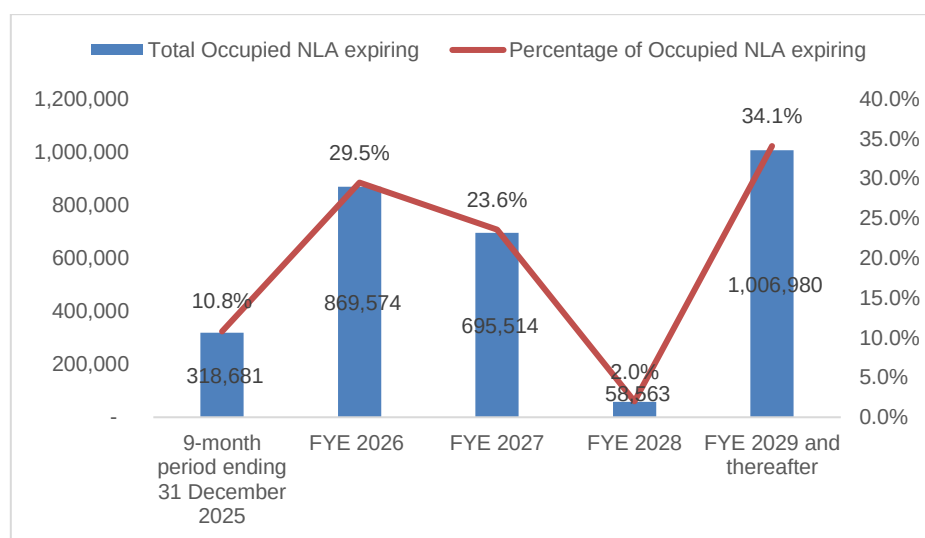
(iii) Well-staggered lease expiry profile

The Subject Properties have a well-staggered lease expiry profile with a stable and visible cashflow. Save for Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee, the WALE (by NLA) of Paradigm PJ and Paradigm JB are 1.54 years and 1.56 years respectively as at 31 March 2025.

One of the Subject Properties, Bukit Tinggi Shopping Centre (excluding ancillary area) is leased to AEON as master lessee. The other Subject Properties, namely Paradigm Mall JB and Paradigm Mall PJ, also enjoy stable income as tenancy agreements are generally fixed for a term of 1 year to 3 years with staggered lease expiries.

The chart below sets out the total lease expiry profile of the Subject Properties as at 31 March 2025.

Total lease expiry profile of the Subject Properties by GLA/NLA

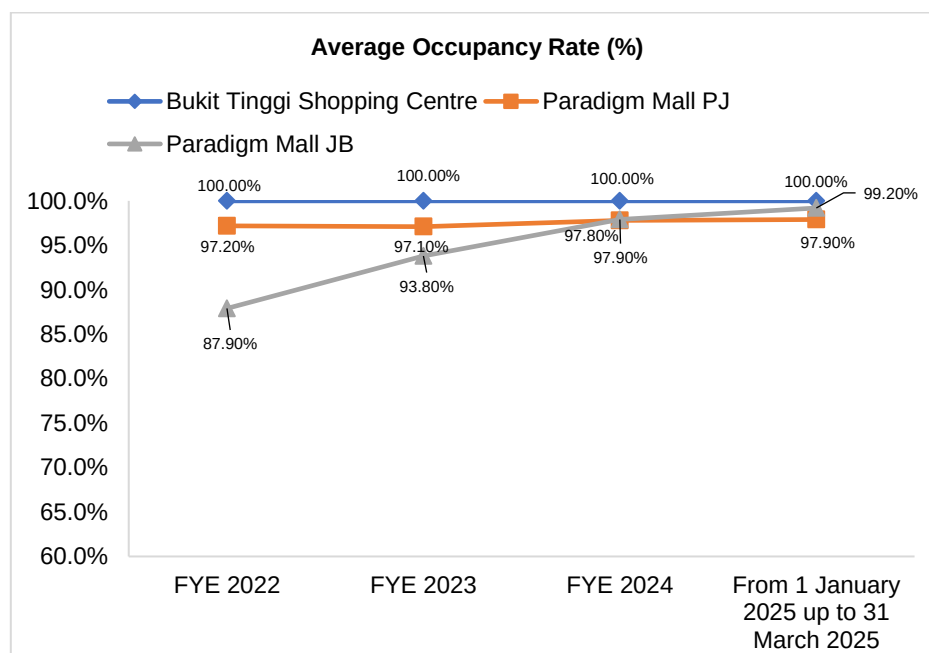


Please refer to Sections 2.3.6 “Tenancy expiry profile of Paradigm Mall PJ” and 2.4.6 “Tenancy expiry profile of Paradigm Mall JB” of this Prospectus for the tenancy expiry profiles of Paradigm Mall PJ and Paradigm Mall JB respectively.

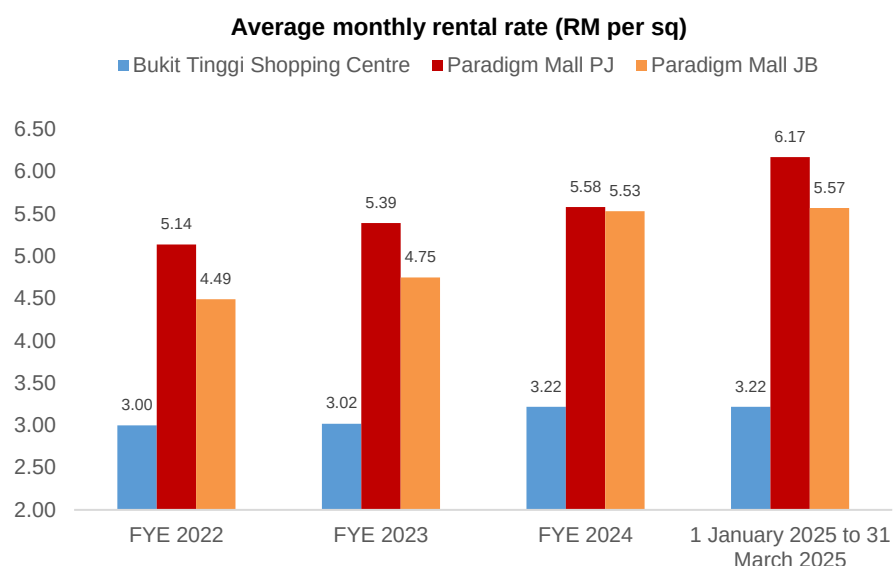
2. SUBJECT PROPERTIES (Cont'd)

(iv) Increasing rental rates underpinned by high occupancy

The Average Occupancy Rate of the Subject Properties has increased on a portfolio basis and the rental rates of the Subject Properties have remained stable on a portfolio basis over the years on an average monthly rental rate per sq ft basis. The chart below sets out the Average Occupancy Rate of the Subject Properties for the FYE 2022 to the FYE 2024 and the period from 1 January 2025 to 31 March 2025.



The chart below sets out the average monthly rental rate per sq ft of the Subject Properties for the FYE 2022 to the FYE 2024 and the period from 1 January 2025 to 31 March 2025.



The average month rental rate is calculated based on base rent, being rental income (inclusive of service charges and promotional charges) and straight-lining adjustments on rent-free period and staggered rent over the lease term in accordance with MFRS 16 derived from Occupied NLA, over the Average Occupied NLA. Please refer to Section 4.4.5.1 "Total Revenue" of this Prospectus for further details.

2. SUBJECT PROPERTIES (Cont'd)

2.5.4 Opportunities for future growth

(i) Acquisition growth opportunities

The Manager believes that while Paradigm REIT has growth opportunities through active asset management and asset enhancement, Paradigm REIT will also be able to leverage on the Sponsor's extensive network and track record in sourcing, acquiring and financing real estate assets.

As at the LPD, apart from the Subject Properties, the WCTH Group and its joint ventures owns Le Méridien Petaling Jaya, Hyatt Place Johor Bahru Paradigm Mall and Première Hotel in Klang, as well as concessions in SkyPark Terminal, Sultan Abdul Aziz Shah Airport in Subang and gateway@klia2, KLIA in Sepang which are airport malls.

With effect from the date of completion of the Acquisitions as contemplated under the SPAs, Paradigm REIT will hold the ROFR to purchase any Relevant Assets in the event that:

- (a) WCTH or a WCTH Entity (as defined in Section 14.4 "Salient Terms of the ROFR" of this Prospectus) proposes to sell/dispose the Relevant Assets or any part(s) thereof; or
- (b) WCTH or a WCTH Entity receives any offer from a third party to purchase any part of the Relevant Assets which WCTH or a WCTH Entity is willing to consider,

except for intra-group transfer of the Relevant Assets and the grant of ROFR or reconstruction, amalgamations, restructurings, mergers and analogous events involving WCTH or a WCTH Entity and shall be subject to applicable laws.

The ROFR will provide Paradigm REIT with access to future acquisition opportunities of properties which WCTH or a WCTH Entity have direct control over and/or developed by them. The ROFR is expected to increase the pipeline of assets for Paradigm REIT. The ROFR gives Paradigm REIT the right but not the obligation to acquire the Relevant Assets.

These potential acquisitions of any of the Relevant Assets are expected to enhance the market reach of Paradigm REIT by allowing it to tap into various customer demographics and economic conditions through the diversification of its investment portfolio to spread risk and improve overall investment returns.

The acquisition of any of the Relevant Assets is subject to, among others, the terms of the ROFR as set out in Section 14.4 "Salient Terms of the ROFR" of this Prospectus, due diligence and assessment of commercial viability.

In addition, pursuant to undertaking provided by TSDL, both Paradigm REIT and Pavilion REIT will be given the opportunity to bid for certain assets under scenarios set out in Section 11.5.2 "Undertaking provided by TSDL" of this Prospectus. The undertaking was provided by TSDL to mitigate any actual or potential conflict of interest situation arising from TSDL being a common major shareholder and unitholder and common director of the Sponsor, the Pavilion Manager and Pavilion REIT. The acquisition of any assets pursuant to the undertaking provided by TSDL will be subject to due diligence and assessment of commercial viability.

The Manager may also explore the acquisition of properties developed by third parties should they meet the investment criteria and investment objective of Paradigm REIT.

2. SUBJECT PROPERTIES (Cont'd)

(ii) Embedded upside potential to be realised through active asset management and enhancement

There is scope for increased rental income for the Subject Properties through active asset management. Save for Bukit Tinggi Shopping Centre (excluding ancillary area) which is leased to AEON as master lessee, the Manager intends to constantly engage with the tenants and actively negotiates lease renewals early to ensure tenant retention as well as to source for new tenants to increase occupancy level and optimise trade sector mix at each of the Subject Properties.

The Manager intends to undertake the following asset management opportunities and enhancement initiatives for the Subject Properties:

(a) Bukit Tinggi Shopping Centre

Bukit Tinggi Shopping Centre has undertaken several strategic improvements to increase its value and draw more customers. By positioning Bukit Tinggi Shopping Centre as the preferred venue for bazaar sales, especially during festive seasons, the Manager aims to actively promote these events to generate additional income. A key initiative involves expanding the GLA for the bazaar sales to provide substantial long-term financial benefits.

Additionally, the Manager is focused on enhancing the customer experience by upgrading the rooftop parking to increase capacity of car park bays, resurfacing the ground floor car park, repainting the rooftop car park and installation of LED lighting to improve energy efficiency in the car park areas of Bukit Tinggi Shopping Centre. Lastly, refurbishing the building's facade is set to enhance its visual appeal and overall impression for visitors.

(b) Paradigm Mall PJ

Given Paradigm Mall PJ's proximity to office buildings, residential units and a hotel within its vicinity, the Manager intends to enhance its food & beverage and retail outlets to appeal to its neighbouring communities.

The Manager intends to reconfigure the existing common areas to increase the NLA of Paradigm Mall PJ and introduce additional tenants to ultimately improve the NPI of Paradigm Mall PJ. These enhancements will improve space utilisation, improve retail options for shoppers and offer a more diverse dining experience to its visitors.

(c) Paradigm Mall JB

The Manager intends to maintain Paradigm Mall JB's leading position within Johor Bahru by staying ahead of consumer trends. Market leaders such as Golden Screen Cinemas, Parkson, Uniqlo and Village Grocer encourage international tourists, especially from Singapore, due to the strategic location of the mall being approximately 20-minute drive from Singapore's Woodlands' Checkpoint.

2. SUBJECT PROPERTIES (Cont'd)

Paradigm Mall JB strategically leverages on the growing popularity of lifestyle malls catering to recreational needs and experiential based offerings. To differentiate itself from competitor malls, Paradigm Mall JB currently offers the experience of an indoor roller skating rink called 'Roll On', an indoor climbing facility offered called 'Camp5', in addition to other various recreational facilities offered by its tenants. In addition to these recreational facilities offered by Paradigm Mall JB's tenants, WCTHJ had introduced an indoor version of the Escape Challenge amusement park which will be operated by Sim Leisure Escape Sdn Bhd. Following the soft launch on 30 October 2024, three attractions were open to the public and additional attractions are set to progressively open in the coming months. The full development of the Escape Challenge is expected to be completed by the 2nd quarter of 2025, targeting the youth and young families. This addition to Paradigm Mall JB's offerings aims to enhance the shopping experience by providing a dedicated space for recreational activities, capturing the interest of a broad demographic and adding significant value to its recreational portfolio.

Furthermore, the Manager plans to adopt a sustainable approach by installing solar photovoltaic system on the rooftop of Bukit Tinggi Shopping Centre. WCTHJ has completed the installation of solar photovoltaic system on the rooftop of Paradigm Mall JB in February 2025.

This initiative will not only reduce utility costs but also aligns with the growing trend of environmentally conscious business practices. These upgrades will improve Bukit Tinggi Shopping Centre and Paradigm Mall JB to appeal to a broader audience and meet the evolving expectations of current conscientious consumers.

2.5.5 Experienced management team

Chua Kah Noi Selena, the Chief Executive Officer and Executive Director of the Manager, has over 30 years of experience in property development and investment, corporate management, leasing, retail development and actively participated in the initial public offering and listing of CapitaLand Mall Trust (now known as CapitaLand Integrated Commercial Trust), being the first listed REIT in Singapore. She has been with the WCTH Group for over 7 years overseeing the management of all the retail malls within the WCTH Group's portfolio.

Chong Kian Fah, the Director of Investment, Finance & Accounts of the Manager, joined the WCTH Group as Chief Accountant in August 2008 and was promoted to the position of Director of Corporate and Finance of the Sponsor in January 2017 where he was responsible for overseeing and managing the accounting and financial matters of the WCTH Group and ensure compliance with financial regulations.

The management team consists of experienced retail real estate professionals, many of whom have been with the Sponsor for several years, managing, among others, the respective Subject Properties. Therefore, they maintain familiarity and have in-depth knowledge of the Subject Properties in its respective locations, making them uniquely positioned to stimulate the future growth of Paradigm REIT.

The profiles of the members of the management team of the Manager are set out in Section 6.5.2 "Roles of the Key Management Personnel of the Manager" of this Prospectus.

2. SUBJECT PROPERTIES (Cont'd)

2.5.6 Management Fees structure aligns the Manager's interest with Unitholders

The Management Fees are structured to align the interest of the Manager to the Unitholders. The Manager is entitled to receive a base fee of up to 1.00% per annum of the Total Asset Value of Paradigm REIT (excluding cash and bank balances which are held in non-interest bearing accounts) as well as a performance fee of up to 5.00% per annum of Paradigm REIT's NPI in the relevant financial year but before the deduction of property management fees payable to any property manager(s) appointed to manage any Real Estate. For the Profit Forecast, the Manager will be charging a base fee of 0.3% per annum of the Total Asset Value of Paradigm REIT and performance fee of 3.0% per annum of Paradigm REIT's NPI. The Management Fees payable to the Manager have an incentive-based element which is designed to align the interest of the Manager with those of the Unitholders, through incentivising the Manager to grow Paradigm REIT's Distributable Income.

The Manager may elect to receive Management Fees in cash or Units or a combination of cash and Units as it may at its sole discretion determine.

2.5.7 Prudent capital structure and active capital management

(i) Conservative gearing level with ample debt headroom

Upon Listing, Paradigm REIT will have total indebtedness of RM841.7 million, representing approximately 34.0% of the estimated Total Asset Value of RM2,475.6 million based on Paradigm REIT's Pro Forma Statement of Financial Position.

The debt-to-asset ratio is below the prescribed limit under the REIT Guidelines of 50.0% of the total asset value of a REIT, providing Paradigm REIT with ample debt headroom of up to approximately RM1,237.8 million (including the total indebtedness of RM841.7 million upon Listing).

(ii) Active management to optimise capital structure

The Manager aims to optimise Paradigm REIT's capital structure and cost of capital to manage borrowing cost efficiency to improve returns to the Unitholders. The Manager also intends to use appropriate combinations of debt and equity to fund future acquisitions with the objective of ensuring capital efficiency.

2.6 INDEPENDENT PROPERTY MARKET REPORT

The Manager has engaged the Independent Property Market Consultant to prepare the Independent Property Market Report which describes the real estate markets in which the Subject Properties are located and the outlook for those markets. Please refer to Appendix B "Independent Property Market Report" of this Prospectus for further details.

2.7 RETAIL PROPERTY COMPETITION

Please refer to Appendix B "Independent Property Market Report" of this Prospectus for further details.

2. SUBJECT PROPERTIES (Cont'd)

2.8 VALUATION POLICIES

Independent professional valuations will be obtained annually or such other shorter interval as the Manager deems necessary and these valuations will be conducted on the bases and methods which are in accordance with the Asset Valuation Guidelines. The Manager has engaged the Independent Property Valuer to carry out a valuation of Bukit Tinggi Shopping Centre as at 25 June 2024, and Paradigm Mall PJ and Paradigm Mall JB as at 18 June 2024, as well as an update valuation for the Subject Properties on 31 December 2024.

The table below sets out the value for each of the Subject Properties appraised by the Independent Property Valuer:

Subject Properties	Appraised Value (RM'000)
Bukit Tinggi Shopping Centre	680,000
Paradigm Mall PJ	600,000
Paradigm Mall JB	1,157,000
Total	2,437,000

The Manager has yet to decide on the exact date for the next valuation of the Subject Properties, but in any event, such valuation will be carried out on or before 31 December 2025, in accordance with Paradigm REIT's valuation policy.

Please refer to the Valuation Certificates set out in Appendix A "Valuation Certificates" of this Prospectus, which are to be read together with the full valuation reports for the Subject Properties dated 24 October 2024 and update valuation certificate dated 6 February 2025 for the Subject Properties. Copies of the full valuation reports and update valuation certificate will be available for inspection at the registered office of the Manager for a period of 12 months from the date of this Prospectus.

2.9 MATERIAL INTERRUPTIONS IN PARADIGM REIT'S BUSINESS

Saved as disclosed below, the Subject Properties did not experience any other material interruptions to their business and operations during the FYE 2022 to the FYE 2024 and up to 31 March 2025.

2.9.1 COVID-19 conditions in Malaysia

In 2020, there was an outbreak of the infectious disease known as COVID-19 which led to an unprecedented challenge to public health in Malaysia and globally. The World Health Organisation recognised COVID-19 as a "Public Health Emergency of International Concern" on 30 January 2020 and subsequently classified it as a "pandemic" on 11 March 2020.

The COVID-19 pandemic led to the Government imposing different stages of the movement control order which was implemented from 18 March 2020 to 1 November 2021, closure of international borders and physical distancing, in order to curb the spread of COVID-19. As a result, non-essential retailers, entertainment outlets and malls were ordered to shut down or not able to operate optimally. Relaxations of movement control order were introduced in the 2nd quarter of 2021 however the footfall to malls and retail sales remained low as shoppers were cautious of their spending.

2. SUBJECT PROPERTIES (Cont'd)

The Subject Properties began to experience a gradual recovery after the COVID-19 pandemic, with a more noticeable rebound occurring in late 2021 and throughout 2022. The easing of restrictions, increased vaccination rates, and the reopening of the economy contributed to a resurgence in foot traffic and consumer spending. By mid-2022, improved sales and a return of shoppers were reported, although the recovery varied across the different regions of the Subject Properties.

As the economic and social disruption caused by the pandemic has impacted companies within the retail industry, Gross Rental Income primarily for Paradigm Mall PJ and Paradigm Mall JB experienced a decline due to the rental relief measures implemented during the movement control order period. These relief initiatives were designed to assist tenants facing financial difficulties, resulting in temporary reductions in rental payments. Despite these measures, the Subject Properties continued to generate income due to contractual obligations with tenants.

Due to the COVID-19 pandemic, more sanitising and cleaning activities had been undertaken in the Subject Properties and the cost of purchasing hygiene equipment and tools had increased significantly. This had resulted in higher operating costs for the Subject Properties.

Several strategic cost-cutting measures aimed at ensuring the sustainability of operations amidst the COVID-19 pandemic was the reduction in the usage of mechanical and electrical systems (M&E), particularly air conditioning units. This not only helped lower energy consumption but also significantly reduced utility expenses.

Overall, there was no significant impact to occupancy rates throughout the COVID-19 pandemic as rental rebates were provided by the Vendors to the tenants to ensure the tenant's business continuity and long-term sustainability. For the avoidance of doubt, the COVID-19-related rental rebates have been discontinued in 2024 following the gradual recovery of the Subject Properties. However, these rental rebates had an impact that extended beyond the FYE 2024 due to the straight-lining adjustments of such rental rebates in accordance with the requirements of MFRS 16 and are expected to have minimal impact on the Total Revenue for the FYE 2025. The COVID-19-related rental rebates for the FYE 2022 to the FYE 2024 are set out below:

Subject Properties	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Bukit Tinggi Shopping Centre	274	59	-
Paradigm Mall PJ	6,928	1,122	236
Paradigm Mall JB	7,115	584	591
	<u>14,317</u>	<u>1,765</u>	<u>827</u>

The management team of the Vendors has gained significant experience from navigating the unprecedented challenges impacting the Subject Properties during the COVID-19 pandemic, including restructuring loan repayments and fostering understanding with tenants and has equipped the management team with the necessary expertise to navigate future challenges.

As a result of navigating these challenges together, the relationship between the Vendors and their tenants has been strengthened. The shared experience of managing through the pandemic has fostered a greater sense of partnership and mutual trust, enhancing the long-term stability of these tenancies moving forward.

2. SUBJECT PROPERTIES (Cont'd)

2.10 ACQUISITIONS OF THE SUBJECT PROPERTIES

On 13 March 2025, the Trustee, on behalf of Paradigm REIT, entered into the SPAs with the Vendors for the acquisition of the Subject Properties for a total purchase consideration of RM2,437.0 million to be satisfied in the following manner:

Subject Properties	Vendors	Appraised Value (RM'000)	Purchase consideration (RM'000)	Mode of Settlement	
				Cash Consideration (RM'000)	Consideration Units (RM'000)
Bukit Tinggi Shopping Centre	GWSB	680,000	680,000	330,000	350,000
Paradigm Mall PJ	JPSB	600,000	600,000	370,000	230,000
Paradigm Mall JB	WCTHJ	1,157,000	1,157,000	137,000	1,020,000
Total		2,437,000	2,437,000	837,000	1,600,000

2.11 ESG AWARENESS

2.11.1 Electric vehicle (EV) initiatives

The Subject Properties have taken significant steps to enhance the accessibility of EV charging stations, supporting the transition towards green mobility in Malaysia.

On 17 July 2023, Gentari Green Mobility Sdn Bhd relayed 10 EV charging stations at Bukit Tinggi Shopping Centre and Paradigm Mall PJ respectively and 6 EV charging stations at Paradigm Mall JB in the pursuit of expanding the accessibility of EV charging stations and infrastructure in Malaysia. The collaboration between the Subject Properties and Gentari Green Mobility Sdn Bhd was aimed to further accelerate the green mobility movement while allowing its visitors to enjoy diverse retail offerings, which aligns with the ongoing trends and initiatives in both the retail and automotive industries.

2.11.2 Water efficiency measures

The following initiatives are undertaken at Paradigm Mall PJ and Paradigm Mall JB in order to improve water efficiency:

- (i) **Regular maintenance and checks** - Weekly inspections of water taps and toilet flush systems are conducted to identify equipment defects and prevent wastage. Routine checks are also performed on incoming water pipelines to detect potential leakages;
- (ii) **Optimised chiller and cooling tower usage** - Reducing the operation time of chillers and cooling towers to conserve water and energy;
- (iii) **Water management strategies** - Exploring innovative water management strategies, including proportional distribution of water supply based on usage for amenities, equipment, and tenant consumption;

2. SUBJECT PROPERTIES (Cont'd)

- (iv) **Feasibility study for water storage and harvesting** - Conducting an ongoing feasibility study on the addition of water tank storage and water harvesting systems for non-human usage, despite space constraints;
- (v) **Installation of water-saving fittings** - Progressive installation of water-saving fittings throughout the properties; and
- (vi) **Pressure regulation** - Installation of pressure relief valves to regulate water pressure from the supply system, reducing overall water usage.

2.11.3 Energy efficiency and renewable energy initiatives

The vendors of Paradigm Mall PJ and Paradigm Mall JB incorporated a Building Management System from the onset, designed to monitor energy data and automate energy usage according to a set schedule. Other energy-saving efforts include the staggered start-up and shutdown of daily operations to reduce consumption and the installation of filtration systems at chillers for enhanced equipment efficiency, as chillers consume the highest amount of energy in shopping malls.

To further support sustainability initiatives and enhance environmental responsibility, WCTHJ has implemented a solar photovoltaic system on the rooftop of Paradigm Mall JB with proposed capacity of up to 1,109.79 kWp. This installation was completed in February 2025 and is anticipated to generate approximately 1,301,812 kWh of renewable energy annually. This initiative is aligned with the Manager's commitment to reduce carbon emissions and promote clean energy, contributing to Paradigm REIT's ESG objectives.

2.11.4 Recycling used cooking oil initiatives

Paradigm Mall PJ and Paradigm Mall JB collected 72.92 tonnes of used cooking oil in FY 2024 as a result of an ongoing collaboration with a used cooking oil collection company which facilitated the collection of used cooking oils. The collected oil is then converted into biodiesel, which helps to reduce the amount of used cooking oil disposed in landfills. This initiative is part of Paradigm Mall PJ's and Paradigm Mall JB's effort to avoid waste products being sent to landfills.

2.11.5 Commitment to ESG Standards

The Subject Properties are beneficiaries of the ESG initiatives implemented by the WCTH Group. Paradigm REIT is committed to adopting the necessary approach to monitor and meet ESG standards for its tenants and potential tenants.

2.12 TENANCY/LEASE MANAGEMENT

2.12.1 Paradigm Mall PJ and Paradigm Mall JB

The tenancy agreements for Paradigm Mall PJ and Paradigm Mall JB include terms and conditions relating to the rent, term of the tenancy, the provision of a security deposit as well as renewal and termination of the tenancy. These terms and conditions are varied and negotiated on a case-by-case basis to accommodate the specific needs of tenants and the landlord.

Based on a typical retail tenancy of Paradigm Mall PJ and Paradigm Mall JB, the monthly rent payable by tenants would be:

- (i) base rent (including service charges and promotional charges) and percentage rent; or

2. SUBJECT PROPERTIES (Cont'd)

- (ii) base rent (including service charges and promotional charges) or percentage rent, whichever is higher; or
- (iii) percentage rent only.

The percentage rent is typically calculated based on a pre-determined percentage of a tenant's monthly gross turnover. The service charges are fixed amounts payable by tenants on a per sq ft basis assessed on each tenant for services provided on common areas. The promotional charges are fixed amounts payable by tenants on a per sq ft basis assessed on each tenant to fund the marketing and promotional activities of the mall.

Tenants are required to provide a security deposit of at least 3 months of monthly rental as security for due observance and performance by tenants of their tenancy agreements. Unless otherwise agreed by the landlord, all tenants are generally required to provide utilities, fit-out, restoration and mailbox deposits.

The tenancy agreements entered into by Paradigm Mall PJ and Paradigm Mall JB are generally for 1 year to 3 years terms. The landlord may grant the tenant a renewal of the tenancy agreement upon expiry of the initial term. The tenant's right to exercise the option to renew is subject, among others, to the following:

- (i) the tenant shall make a written request to the landlord of its intention to renew the tenancy agreement no later than 6 months before the expiration of the term of the tenancy;
- (ii) there shall not be any breaches or non-observance by the tenant of the terms and conditions of the tenancy agreement;
- (iii) the tenant shall make payment of the increased security deposit, utilities deposit or any other deposits or charges; and
- (iv) execution of a new tenancy agreement between the landlord and the tenant based on terms and conditions to be agreed by the parties.

In the event the tenant terminates the tenancy agreements prior to the expiry dates, the landlord may re-enter the demised premises and may forfeit the deposits paid by the tenant, and the tenant is required to pay to the landlord liquidated and ascertained damages equivalent to the remainder of the monthly rent for the whole of the unexpired period of the term in addition to other damages and arrears that may be applicable for the breaches by the tenant under the tenancy agreement.

2.12.1 Bukit Tinggi Shopping Centre

Bukit Tinggi Shopping Centre has a fixed rental step-up of 1.6% for the period commencing from 24 November 2024 to 23 November 2025 and another fixed rental step-up of 3.1% for the period commencing from 24 November 2025 to 23 November 2026. The rental commencing from 24 November 2026 will increase based on the prevailing market rate but not exceeding 12.0% of the last rental paid. The AEON Lease Agreement expires on 23 November 2029 with an option to renew upon expiry of the lease for an additional 3 years based on the prevailing market rate but not exceeding 12% of the last rental paid.

The AEON Lease Agreement generally contains terms and conditions relating to the lease and the provision of a security deposit as well as the renewal of the lease.

2. SUBJECT PROPERTIES (Cont'd)

Under the AEON Lease Agreement, in the event the Manager to receives an offer from a third party to purchase Bukit Tinggi Shopping Centre and the Manager intends to sell, the lessor shall grant to AEON, the master lessee, a first right to purchase Bukit Tinggi Shopping Centre on terms and consideration similar to those made by the said third party.

2.13 INSURANCE

The Subject Properties are currently insured under property and liability insurance policies, with coverage features and insured limits that are in line with industry practice in Malaysia. The coverage of these insurances policies includes property loss or damage caused by fire, consequential losses from fire, machinery breakdown, plate glass, burglary and public liability insurance. There are no significant or unusual excess or deductible amounts required under these policies.

There are, however, certain risks not covered by such insurance policies pursuant to typical exclusions such as war, acts of terrorism and radioactive or nuclear risks.

The insurance policies will be endorsed in favour of the Trustee effective from the Completion Date of the SPAs.

2.14 FIRE PROTECTION

The fire protection system for each of the Subject Properties is manned on a 24-hour basis at a fire command centre with the central monitoring system linked to the Fire and Rescue Department of Malaysia (*Jabatan Bomba dan Penyelamat Malaysia*). The Subject Properties have fire safety personnel who form part of an emergency response team and who ensure that all fire protection systems and equipment are in working order. Each of the Subject Properties is also equipped with a fire protection system which includes a fire detection system, fire suppression system and smoke detection system. All the Subject Properties also have fire sprinkler systems with water tanks and wet riser. Each of the Subject Properties has maintenance contracts for the fire protection systems.

2.15 LEGAL PROCEEDINGS

As at the LPD, none of the Subject Properties nor the Manager is currently involved in any material litigation nor, to the best of the Manager's knowledge, any material litigation currently contemplated or threatened against Paradigm REIT or the Manager.

3. DETAILS OF THE OFFERING

3.1 INTRODUCTION

The SC granted its approval for the Offering on 3 March 2025. The approval of the SC shall not be taken to indicate that the SC recommends the Offering. Investors should rely on their own evaluation to assess the merits and risks of the Offering and their investment in Paradigm REIT. In considering the investment, if investors are in any doubt as to the action to be taken, they should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately. For information concerning risk factors which should be considered by prospective investors, see Section 5 “Risk Factors” of this Prospectus.

Bursa Securities’ approval for the admission of all the 1,600.0 million Units to the Official List of the Main Market and for the listing of and quotation for all the said Units as well as the 20.0 million Units to be issued as part payment of the Management Fees on a staggered basis over a period of 5 years, was obtained on 14 April 2025. All the Units will be admitted to the Official List of the Main Market and official quotation will commence after receipt of confirmation from Bursa Depository that all the Units have been credited into the respective CDS Account of the Vendors and/or their nominees (pursuant to the Acquisitions) and the successful applicants and the notices of allotment of the Units have been despatched to the said parties. Admission to the Official List of the Main Market shall not be taken as an indication of the merits of Paradigm REIT, the Units, or the Offering.

Pursuant to Section 14(1) of the SICDA, Bursa Securities will prescribe the Units as a prescribed security. Consequently, the Units will be deposited directly with Bursa Depository. Any dealings in the Units will be carried out in accordance with the Deed, the SICDA and the Rules of Bursa Depository. No unit certificates will be issued to successful applicants.

Pursuant to the Listing Requirements, at least 25.0% of the total number of Units in issue must be held by a minimum number of 1,000 public Unitholders holding not less than 100 Units each upon completion of the Offering and at the point of Listing or such other minimum public unitholding spread requirement at the point of Listing (“**Public Spread Requirement**”). The Manager expects to achieve the Public Spread Requirement at the point of Listing.

In the event Paradigm REIT does not achieve the Public Spread Requirement pursuant to the Offering, Paradigm REIT may not be allowed to proceed with the Listing. In this event, monies paid in respect of all applications will be returned in full without interest.

3.2 TOTAL UNITS TO BE ISSUED

The details of the Units to be issued are as follows:

	No. of Units	(%) ⁽¹⁾
Consideration Units to be issued to the Vendors and/or their nominees pursuant to the Acquisitions		
GWSB	⁽²⁾ 350,000,000	21.9
JPSB	⁽³⁾ 230,000,000	14.4
WCTHJ	⁽⁴⁾ 1,020,000,000	63.7
Total Consideration Units to be issued pursuant to the Acquisitions	1,600,000,000	100.0
Retail Offering	254,657,500	15.9
Institutional Offering	305,342,500	19.1
Total Offer Units	560,000,000	35.0

3. DETAILS OF THE OFFERING *(Cont'd)*

Notes:

- (1) Based on the total issued Units of 1,600,000,000 Units.
- (2) GWSB will nominate WCTH to receive all the Consideration Units to be issued to GWSB arising from the disposal of Bukit Tinggi Shopping Centre by GWSB to Paradigm REIT.
- (3) Consideration Units to be received by JPSB arising from the disposal of Paradigm Mall PJ by JPSB to Paradigm REIT.
- (4) WCTHJ will nominate WCTH to receive 460,000,000 Consideration Units to be issued to WCTHJ arising from the disposal of Paradigm Mall JB to Paradigm REIT. The remaining 560,000,000 Consideration Units will be made available for sale under the Offering.

There is only one class of units in Paradigm REIT. The Units to be offered, provided that full application monies are paid in full, will rank *pari passu* in all respects with each other and will be entitled to all distributions that may be declared subsequent to the Listing.

3.3 PURPOSE OF THE OFFERING

The purpose of the Offering is as follows:

- (i) to provide the shareholders of WCTH an opportunity to participate in Paradigm REIT directly through subscription of their entitlements as well as an opportunity to benefit from the potential future upside and envisaged growth of Paradigm REIT;
- (ii) to obtain a listing of and quotation for the Units on the Main Market to enhance liquidity as compared to the illiquid nature of the underlying Subject Properties;
- (iii) to gain access to capital markets in order to raise funds for future real estate acquisition; and
- (iv) to provide investors an opportunity to invest in a REIT which provides stable distribution of income and potential capital appreciation on investment in the Units.

3.4 DETAILS OF THE OFFERING

The Offering comprises the following:

- (i) Retail Offering of up to 254,657,500 Units, representing 15.9% of the total Units upon Listing; and
- (ii) Institutional Offering of at least 305,342,500 Units, representing 19.1% of the total Units upon Listing.

The Retail Offering and the Institutional Offering will be allocated in the manner set out below (subject to provisions for Clawback and Reallocation described in Section 3.4.3 "Clawback and Reallocation" of this Prospectus):

	<u>No. of Units</u>	<u>% of total Units</u>
Retail Offering:		
Entitled WCTH Shareholders	194,862,500	12.2
Eligible Directors and Employees	27,795,000	1.7
Malaysian Public via balloting		
- Bumiputra	16,000,000	1.0
- Non-Bumiputera	16,000,000	1.0
Sub-total	254,657,500	15.9

3. DETAILS OF THE OFFERING (Cont'd)

	<u>No. of Units</u>	<u>% of total Units</u>
Institutional Offering:		
Bumiputera investors approved by the MITI	200,000,000	12.5
Other institutional investors and selected investors	105,342,500	6.6
Sub-total	305,342,500	19.1
Total	560,000,000	35.0

The offeror for the Offering is WCTHJ, an indirect wholly-owned subsidiary of the Sponsor (“**Selling Subsidiary**”).

3.4.1 Retail Offering

The Retail Offering of up to 254,657,500 Offer Units, representing up to approximately 15.9% of the total Units upon Listing, subject to the Clawback and Reallocation provisions, consists of the following:

- (i) 194,862,500 Offer Units (“**Restricted Offer Units**”), representing 12.2% of the total Units to the Entitled WCTH Shareholders on the basis of 1 Restricted Offer Unit for every 8 existing ordinary shares of WCTH held by the Entitled WCTH Shareholders (“**Restricted Offering**”);
- (ii) 27,795,000 Offer Units (“**Pink Form Units**”), representing 1.7% of the total Units upon Listing to the Eligible Directors and Employees (“**Restricted Pink Form Offering**”); and
- (iii) 32,000,000 Offer Units, representing 2.0% of the total Units upon Listing, for application by the Malaysian Public of which 16,000,000 Units are reserved for application by the Bumiputera public (“**Public Offering**”),

at the Retail Price of RM1.00 per Offer Unit, payable in full upon application and subject to refund of the difference between the Retail Price and the Final Retail Price, if the Final Retail Price is less than the Retail Price.

3.4.1.1 Allocation to the Entitled WCTH Shareholder under the Restricted Offering

(i) Number and basis of allocation

194,862,500 Restricted Offer Units, representing approximately 12.2% of the total Units have been allocated for the Entitled WCTH Shareholders on the basis of 1 Restricted Offer Unit for every 8 existing ordinary shares of WCTH held by the Entitled WCTH Shareholders.

The Restricted Offering is non-renounceable and non-tradeable. The Entitled WCTH Shareholders may fully or partially subscribe for their entitlement to the Restricted Offer Units by paying the full Retail Price for their subscriptions. For the avoidance of doubt, should the Entitled WCTH Shareholders choose not to fully or partially subscribe for their entitlements to the Restricted Offer Units, they will not receive any cash for their entitlements under the Restricted Offering and any unsubscribed Restricted Offer Units (“**Excess Restricted Offer Units**”) will be made available for application to the other Entitled WCTH Shareholders who have applied for the Restricted Offer Units in excess of their pre-determined allocation (“**Excess Restricted Offer Units Applications**”).

3. DETAILS OF THE OFFERING *(Cont'd)*

Fractional entitlements arising from the Restricted Offering will be disregarded and the aggregate of such fractions will be dealt with in such manner or on such terms as the Board and the board of directors of WCTH may in its absolute discretion deem fit, necessary and/or expedient, fair and equitable and in the best interest of Paradigm REIT.

As at the LPD, TSDL has a direct equity interest of 6.7% and indirect equity interest of 16.5% in WCTH. Collectively, TSDL's direct and indirect equity interest in WCTH is 23.2%. TSDL will be entitled to a total of 45,295,353 Restricted Offer Units, representing 2.8% of the total Units upon Listing. In order to mitigate TSDL's potential conflict of interest by virtue of his interest in WCTH and Pavilion REIT which may arise from the REIT Establishment, TSDL has undertaken not to subscribe for his entire entitlement of 45,295,353 Restricted Offer Units which will then be made available for Excess Restricted Offer Units Applications.

(ii) **Excess Restricted Offer Units Applications**

Excess Restricted Offer Units will be made available for application by the other Entitled WCTH Shareholders under the Excess Restricted Offer Units Applications. The Board and the board of directors of WCTH reserve the right to allocate any Excess Restricted Offer Units to the Entitled WCTH Shareholder who have made an Excess Restriction Offer Units Application, in a fair and equitable basis and in such manner as it deems fit and expedient and in the best interest of Paradigm REIT. It is the intention of the Board and the board of directors of WCTH to allocate the Excess Restricted Offer Units, if any, in the following priority:

- (a) firstly, to minimise odd lots; and
- (b) secondly, for allocation to the Entitled WCTH Shareholders who applied for the Excess Restricted Offer Units, on a pro-rata basis based on the Entitled WCTH Shareholders respective shareholdings in WCTH at the Entitlement Date which is to be rounded down to the nearest Unit.

The Manager and WCTH also reserve the right to accept any Excess Restricted Offer Units Application, in full or in part, without assigning any reason. Thereafter, any unsubscribed Restricted Offer Units unallocated to the Entitled WCTH Shareholder will be made available for application by the institutional investors and selected investors under the Institutional Offering, the Eligible Directors and Employees under the Restricted Pink Form Offering and/or the Malaysian public under the Public Offering subject to the Clawback and Reallocation provisions.

3.4.1.2 Allocation to Eligible Directors and Employees under the Restricted Pink Form Offering

(i) **Number and basis of allocation**

27,795,000 Offer Units ("**Pink Form Units**"), representing approximately 1.7% of the total Units upon Listing, have been reserved for the Eligible Directors and Employees, to be allocated as follows:

- (a) 1,700,000 Pink Form Units reserved for applications by the Eligible Directors; and
- (b) 26,095,000 Pink Form Units reserved for applications by the Eligible Employees.

A summary of the allocation of the 27,795,000 Pink Form Units as described above is set out below:

3. DETAILS OF THE OFFERING (*Cont'd*)

Eligible persons	No. of eligible persons⁽³⁾	Aggregate no. of Pink Form Units allocated
Eligible Directors ⁽¹⁾	13	1,700,000
Eligible Employees ⁽²⁾	1,510	26,095,000
Total	1,523	27,795,000

Notes:

- (1) TSDL and Dato' Lee have voluntarily opted out of the Restricted Pink Form Offering to mitigate any potential conflict of interest situation that may arise. The allocation of Pink Form Units to the other Eligible Directors of the Sponsor and the Manager is as follows:

Name	Designation	No. of Pink Form Units allocated
<u>Eligible Directors of the Sponsor</u>		
Datuk Chow Ying Choon	Deputy Managing Director	500,000
Tan Sri Marzuki Bin Mohd Noor	Independent Non-Executive Director	100,000
Datuk Ab Wahab Bin Khalil	Independent Non-Executive Director	100,000
Dato' Ng Sooi Lin	Independent Non-Executive Director	100,000
Ng Soon Lai @ Ng Siek Chuan	Independent Non-Executive Director	100,000
Rahana Binti Abdul Rashid	Independent Non-Executive Director	100,000
		1,000,000
<u>Eligible Directors of the Manager</u>		
Tan Sri Shahril Ridza Bin Ridzuan	Chairman/Independent Non-Executive Director	100,000
Dato' Ng Wan Peng	Independent Non-Executive Director	100,000
Kua Choo Kai	Independent Non-Executive Director	100,000
Dr. Lee Khuan Eoi	Independent Non-Executive Director	100,000
General Tan Sri Dato' Seri Panglima Ts Zulkifli Bin Zainal Abidin (Retired)	Non-Independent Executive Director	100,000
Lai Cheng Yee	Non-Independent Executive Director	100,000
Chua Kah Noi Selena	Executive Director	100,000
		700,000
Total		1,700,000

3. DETAILS OF THE OFFERING *(Cont'd)*

The criteria for allocation to the abovementioned Eligible Directors are based on, among others, their respective roles and responsibilities in the Sponsor and the Manager respectively.

Please refer to Section 11.5 “Interests of Directors and other substantial shareholders of the Manager in other corporations carrying on similar business” of this Prospectus for further information on the potential conflict of interest situations involving TSDL and Dato' Lee.

- (2) *The criteria for allocation to the Eligible Employees are based on the following factors:*
 - (a) *in respect of Eligible Employees of the WCTH Group –*
 - (i) *the Eligible Employees must be a full-time confirmed employee and on the payroll of the WCTH Group and who has not submitted his/her resignation as at the date of allocation until the date of this Prospectus; and*
 - (ii) *the number of Pink Form Units allocated is based on, among others, his/her performance, seniority within the WCTH Group as well as contributions leading up to the Listing; and*
 - (b) *in respect of Eligible Employees of the Manager –*
 - (i) *the Eligible Employees must be a full-time confirmed employee and on the payroll of the Manager and who has not submitted his/her resignation as at the date of allocation until the date of this Prospectus; and*
 - (ii) *the number of Pink Form Units allocated is based on, among others, his/her past performance, seniority as well as contributions to the WCTH Group leading up to the Listing prior to their employment with the Manager.*
- (3) *Number of Eligible Directors and Employees as at the LPD.*

Any unsubscribed Pink Form Units will be offered to other Eligible Directors and Employees as excess Units applications (“**Excess Pink Form Units Applications**”).

(ii) **Excess Pink Form Units Applications**

Any Pink Form Units not taken up under the Restricted Pink Form Offering (“**Excess Pink Form Units**”) shall be made available for application by the Eligible Directors and Employees who have applied for Excess Pink Form Units on top of their pre-determined allocation. It is the intention of the Board and the board of directors of WCTH to allocate the Excess Pink Form Units, if any, in the following priority:

- (a) firstly, allocation on a pro-rata basis based on the number of Excess Pink Form Units applied by the Eligible Directors and Employees; and
- (b) secondly, to minimise odd lots.

3. DETAILS OF THE OFFERING *(Cont'd)*

The Board and the board of directors of WCTH reserve the right to allocate any Excess Pink Form Units to the Eligible Directors and Employees who have made an Excess Pink Form Units Application, in a fair and equitable basis and in such manner as it deems fit and expedient and in the best interest of Paradigm REIT. The Manager and WCTH also reserve the right to accept any Excess Pink Form Units Application, in full or in part, without assigning any reason. Thereafter, any unsubscribed Pink Form Units unallocated to the Eligible Directors and Employees will be made available for application by the Entitled WCTH Shareholders under the Restricted Offering and/or Malaysian Public under the Public Offering and the institutional investors and selected investors under the Institutional Offering, subject to the Clawback and Reallocation provisions.

3.4.1.3 Allocation to the Malaysian Public under Public Offering

32,000,000 Offer Units shall be allocated for subscription by the Malaysian Public, of which 16,000,000 Offer Units have been set aside for application by Bumiputera individuals, companies, co-operatives, societies and institutions. Any Units not subscribed by such Bumiputera investors will be made available for application by other Malaysian Public under the Public Offering, Eligible Directors and Employees under the Restricted Pink Form Offering, Entitled WCTH Shareholders under the Restricted Offering and/or by institutional investors and selected investors under the Institutional Offering, subject to Clawback and Reallocation provisions.

3.4.2 Institutional Offering

Institutional Offering to Malaysian institutional investors and selected investors at the Institutional Price payable in full upon allocation and determined by way of bookbuilding on the Price Determination Date will be allocated in the following manner:

- (i) 200,000,000 Offer Units, representing 12.5% of the total Units upon Listing to Bumiputera investors approved by the MITI; and
- (ii) at least 105,342,500 Offer Units to other institutional investors and selected investors.

3.4.3 Clawback and Reallocation

The Institutional Offering and the Retail Offering will be subject to the following Clawback and Reallocation provisions:

- (i) in the event of under-subscription by Bumiputera investors approved by the MITI under the Institutional Offering ("**MITI Tranche**"), such Offer Units will be made available for subscription –
 - (a) firstly, by Bumiputera public under the Public Offering;
 - (b) secondly, by Malaysian institutional investors under the Institutional Offering;
 - (c) thirdly, by other institutional investors and selected investors under the Institutional Offering; and
 - (d) fourthly, by the Eligible Directors and Employees under the Restricted Pink Form Offering (after the reallocation of Excess Pink Form Units) and/or Entitled WCTH Shareholders under the Restricted Offering (after the reallocation of Excess Restricted Offer Units) and/or non-Bumiputera public under the Public Offering,

at the discretion of the Joint Bookrunners upon consultation with the Manager and the Sponsor;

3. DETAILS OF THE OFFERING *(Cont'd)*

- (ii) subject to Section 3.4.3(i) above, the Offer Units may be clawed back and reallocated to the Retail Offering from the Institutional Offering in the event of an over-subscription in the Retail Offering and a corresponding under-subscription in the Institutional Offering, at the discretion of the Joint Bookrunners upon consultation with the Manager and the Sponsor;
- (iii) in the event of under-subscription by the Eligible Directors and Employees under the Restricted Pink Form Offering (after reallocation of the Excess Pink Form Units), such Offer Units may be made available for subscription –
 - (a) firstly, by the Entitled WCTH Shareholders under the Restricted Offering (after the reallocation of Excess Restricted Offer Units) and/or Malaysian public under the Public Offering; and
 - (b) secondly, by institutional investors and selected investors under the Institutional,

at the discretion of the Joint Bookrunners upon consultation with the Manager and the Sponsor;
- (iv) in the event of under-subscription by the non-Bumiputera applicants under the Public Offering, such Offer Units may be made available for subscription –
 - (a) firstly, by Bumiputera public under the Public Offering;
 - (b) secondly, by the Eligible Directors and Employees under the Restricted Pink Form Offering (after the reallocation of Excess Pink Form Units) and/or Entitled WCTH Shareholders under the Restricted Offering (after the reallocation of Excess Restricted Offer Units); and
 - (c) thirdly, by institutional investors and selected investors under the Institutional Offering,

at the discretion of the Joint Bookrunners upon consultation with the Manager and the Sponsor;
- (v) in the event of under-subscription by the Bumiputera public under the Public Offering, such Offer Units may be made available for subscription –
 - (a) firstly, by non-Bumiputera public under the Public Offering;
 - (b) secondly, by the Eligible Directors and Employees under the Restricted Pink Form Offering (after the reallocation of Excess Pink Form Units) and/or Entitled WCTH Shareholder under the Restricted Offering (after the reallocation of Excess Restricted Offer Units); and
 - (c) thirdly, by institutional investors and selected investors under the Institutional Offering,

at the discretion of the Joint Bookrunners upon consultation with the Manager and the Sponsor; and
- (vi) in the event of an under-subscription of Offer Units by the Entitled Shareholders under the Restricted Offering (after the reallocation of Excess Restricted Offer Units), such Offer Units may be made available for subscription by institutional investors and selected investors under the Institutional Offering, the Eligible Directors and Employees under the Restricted Pink Form Offering (after the reallocation of Excess Pink Form Units) and/or Malaysian public under the Public Offering, at the discretion of the Joint Bookrunners upon consultation with the Manager and the Sponsor.

3. DETAILS OF THE OFFERING *(Cont'd)*

Thereafter, the Joint Underwriters shall subscribe and/or procure subscription for any remaining Offer Units under the Retail Offering, based on the terms of the Underwriting Agreement.

The above Clawback and Reallocation provisions shall not apply in the event of an oversubscription or under-subscription in both the Institutional Offering and the Retail Offering or an under-subscription in either the Institutional Offering or the Retail Offering but no oversubscription in the other.

3.4.4 Minimum Subscription

There is no minimum subscription in terms of the cash to be raised from the Offering. However, the minimum subscription will be in terms of the number of Units to be subscribed for Paradigm REIT to have at least 25.0% of the total number of Units in issue to be held by 1,000 public Unitholders holding not less than 100 Units each upon completion of the Offering and at the point of the Listing.

If the Offering is not completed and/or the Manager decides in its absolute discretion not to proceed with the Listing, monies paid in respect of any application for the Offer Units will be returned to the applicants without interest. For the risk on failure in Listing, please refer to Section 5.3.15 "Failure in the Listing will result in refund monies without interest" of this Prospectus.

3.5 INDICATIVE TIMETABLE

An indicative timetable for the Offering is set out below:

Date and Time	Event
28 April 2025	Announcement of Entitlement Date
14 May 2025	Entitlement Date
16 May 2025, 10.00 a.m.	Opening of the Retail Offering and Institutional Offering
23 May 2025, 5.00 p.m.	Closing of the Retail Offering
23 May 2025, 5.00 p.m.	Closing of the Institutional Offering
27 May 2025	Price Determination Date
28 May 2025	Balloting of applications for Offer Units pursuant to the Public Offering
9 June 2025	Allotment of Offer Units to successful applicants
10 June 2025	Listing of Paradigm REIT on the Main Market

The above timetable is indicative only and is subject to change. If there is any change or extension of the abovementioned dates, it will be announced by way of advertisement in a widely circulated Bahasa Malaysia and English newspaper within Malaysia.

3. DETAILS OF THE OFFERING *(Cont'd)*

3.6 BASIS OF DETERMINING THE PRICE OF THE OFFER UNITS

3.6.1 Retail Price

The Retail Price of RM1.00 per Offer Unit was determined and agreed upon by the Manager, the Sponsor and Selling Subsidiary in consultation with the Principal Adviser, Joint Bookrunners and the Joint Underwriters after taking into consideration the following factors:

- (i) the financial history and condition of the Subject Properties;
- (ii) the pro forma NAV per Unit upon Listing of approximately RM1.00;
- (iii) the forecast distribution yields of Paradigm REIT;
- (iv) the future prospects of Paradigm REIT; and
- (v) the prevailing capital and property market conditions and sentiments.

The Final Retail Price will be determined after the Institutional Price is fixed on the Price Determination Date and will be equal to the lower of:

- (i) the Retail Price of RM1.00 per Offer Unit; or
- (ii) the Institutional Price,

subject to rounding to the nearest sen.

In the event that the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants, without any interest. Further details on the refund mechanism are set out in Section 3.6.3 “Refund mechanism” of this Prospectus.

The Final Retail Price will not, in any event, be higher than the Retail Price of RM1.00 per Offer Unit.

The Final Retail Price and the Institutional Price are expected to be announced within 2 Market Days from the Price Determination Date via Bursa Listing Information Network. In addition, all successful applicants will be given written notice of the Final Retail Price and the Institutional Price, together with the notices of allotment.

Applicants should also note that the market price of the Units upon Listing is subject to the vagaries of market forces and other uncertainties which may affect the price of the Units.

3.6.2 Institutional Price

The Institutional Price will be determined by a bookbuilding wherein prospective institutional investors and selected investors will be invited to bid for portions of the Institutional Offering by specifying the number of Offer Units that they would be prepared to acquire and the price that they would be prepared to pay for the subscription. This bookbuilding process is expected to start on 16 May 2025 and will end on 23 May 2025 or such other dates as the Manager and the Joint Bookrunners may decide at their absolute discretion. Upon completion of the bookbuilding process, the Institutional Price will be fixed via agreement between the Manager and the Joint Bookrunners on the Price Determination Date.

3. DETAILS OF THE OFFERING (Cont'd)

3.6.3 Refund mechanism

In the event that the Final Retail Price is lower than the Retail Price, the difference will be refunded to the applicant without any interest thereon. The refund will be credited into the applicant's bank account for purposes of cash dividend/distribution if the applicant has provided such bank account information to Bursa Depository or despatched, in the form of cheques, by ordinary post to his address maintained with Bursa Depository if the applicant has not provided such bank account information to Bursa Depository for applications made via Application Forms, or by crediting into his account with the Electronic Participating Financial Institutions for applications made via the Electronic Application or by crediting into his account with the Internet Participating Financial Institutions for applications made via the Internet Application, within 10 Market Days from the date of final ballot of Applications, at the applicant's own risk.

3.6.4 Expected Market Capitalisation

Based on an illustrative price of RM1.00 per Offer Unit and the listing of 1,600,000,000 Units, the total market capitalisation of Paradigm REIT upon Listing is estimated to be approximately RM1,600,000,000.00.

3.7 LISTING SCHEME

In conjunction with, and as an integral part of the Listing, the Manager undertook the listing scheme, as follows:

3.7.1 Acquisitions

On 13 March 2025, the Trustee, on behalf of Paradigm REIT, entered into the SPAs with the Vendors, for the Acquisitions for a total purchase consideration of RM2,437.0 million. The breakdown of the Acquisitions as well as the purchase consideration are as follows:

Vendors	Subject Properties	Valuation / Consideration (RM)	Mode of Settlement	
			Consideration Units (RM) ⁽¹⁾	Cash Consideration (RM)
GWSB	Bukit Tinggi Shopping Centre	680,000,000	⁽²⁾ 350,000,000	330,000,000
JPSB	Paradigm Mall PJ	600,000,000	⁽³⁾ 230,000,000	370,000,000
WCTHJ	Paradigm Mall JB	1,157,000,000	⁽⁴⁾ 1,020,000,000	137,000,000
Total		2,437,000,000	1,600,000,000	837,000,000

Notes:

- (1) The issue price for the Consideration Units is assumed to be RM1.00 per Consideration Unit.
- (2) GWSB will nominate WCTH to receive all the new Units to be issued to GWSB arising from the disposal of Bukit Tinggi Shopping Centre by GWSB to Paradigm REIT.
- (3) Consideration Units to be received by JPSB arising from the disposal of Paradigm Mall PJ by JPSB to Paradigm REIT.

3. DETAILS OF THE OFFERING *(Cont'd)*

- (4) *WCTHJ will nominate WCTH to receive 460,000,000 Consideration Units to be issued to WCTHJ arising from the disposal of Paradigm Mall JB to Paradigm REIT. The remaining 560,000,000 Consideration Units will be made available for sale under the Offering.*

The total purchase consideration for the Acquisitions of RM2,437.0 million was arrived at based on the independent valuation of the Subject Properties of RM2,437.0 million as at the valuation date of 18 June 2024 (in the case of Paradigm Mall PJ and Paradigm Mall JB) and 25 June 2024 (in the case of Bukit Tinggi Shopping Centre) and subsequently updated on 31 December 2024.

The total purchase consideration for the Acquisitions of RM2,437.0 million will be satisfied through:

- (i) the issuance of 1,600,000,000 Consideration Units at an issue price of RM1.00 per Consideration Unit, to be credited as fully paid-up; and
- (ii) cash consideration of RM837.0 million, to be funded from the issuance of MTN under the MTN Programme.

Paradigm REIT will acquire the Subject Properties in accordance with the terms of the SPAs. As at the date of this Prospectus, the Acquisitions are still pending completion. For further details of the SPAs, please refer to Section 14.3 “Salient Terms of the SPAs” of this Prospectus.

Note that if the SPAs are not completed in accordance with the terms therein contained, there will be no Acquisitions by Paradigm REIT and the Listing will not proceed and Paradigm REIT will be unwound. In the event Units have been allotted, the Unitholders who were allotted Units under the Offering will only receive their monies following the completion of the winding up of Paradigm REIT in accordance with the terms of the Deed.

3.8 REIT FINANCING

Paradigm Capital is a special purpose vehicle, incorporated on 2 October 2024 and wholly owned by the Trustee on behalf of Paradigm REIT, assuming the role of the issuer for the MTN Programme with a programme limit of up to RM5,000.0 million in nominal value to raise financing for and on behalf of Paradigm REIT.

The MTN Programme and the relevant documents and information thereto has been lodged with the SC pursuant to the SC’s Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

On 24 April 2025, Paradigm Capital entered into a programme agreement with Maybank IB and AmlInvestment Bank to establish the MTN Programme. The MTN Programme shall have a perpetual tenure and may entail multiple issuances of rated and/or unrated MTN (“**Issue(s)**”). The proceeds from issuance of the MTNs shall be utilised for the following purposes:

- (i) to advance the Paradigm REIT pursuant to the financing agreement(s) to be entered into between Paradigm Capital and the Trustee (“**REIT Trustee Financing Agreement(s)**”) for the purpose of –
 - (a) financing or part financing the investment activities (including capital expenditure, asset enhancement and the related acquisitions and financing expenses) of the Paradigm REIT;
 - (b) refinancing of existing and/or future borrowings/facilities of the Paradigm REIT (or any special purpose vehicle wholly-owned by the Paradigm REIT vide the Trustee), for its investment activities (including capital expenditure, asset enhancement and the related acquisitions and financing expenses); and/or

3. DETAILS OF THE OFFERING *(Cont'd)*

- (c) working capital requirement of the Paradigm REIT,
in each case, in accordance with the Deed and the REIT Guidelines;
- (ii) to refinance the maturing MTNs on their respective legal maturity date or expected maturity date;
- (iii) to refinance/repay/prepay any financing facilities of Paradigm Capital;
- (iv) to fund the relevant debt service reserve account and/or trustee's reimbursement account;
- (v) to defray all relevant fees and expenses incurred under the MTN Programme; and/ or
- (vi) such other purposes to be determined by Paradigm Capital and MTN Programme's joint lead arrangers/lead manager(s) prior to each issuance of MTNs.

The first Issue of the MTNs to be issued under the MTN Programme ("**Issue 1**") shall be rated by RAM Rating Services Berhad ("**RAM**"). Proceeds raised from the Issue 1 shall be advanced to the Paradigm REIT to, among others, finance the Cash Consideration in accordance with the terms of the SPAs.

For the Issue 1, RAM has assigned the following preliminary ratings to the MTNs:

Class	Credit Rating Assigned	Amount (RM million)
Class A MTNs	AAA	735.0
Class B MTNs	AA ₂	115.0
Total		850.0

Currently, the weighted average indicative rates assumed for similarly rated MTN of this nature on an assumed tenure of up to 7 years is approximately 4.44% per annum.

The MTN to be issued under the Issue 1 are to be secured against, among others, the following:

- (i) third-party first-ranking legal assignment(s) of the SPAs by the Trustee in favour of the security trustee of the MTN Programme ("**Security Trustee**");
- (ii) third-party first-ranking legal charge over the Subject Properties by the Trustee in favour of the Security Trustee under the National Land Code ("**NLC**") over the Subject Properties;
- (iii) pending the creation and/or perfection of the aforesaid land charge over the Subject Properties, a third party specific debenture over the Subject Properties by the Trustee in favour of the Security Trustee and a private caveat over the Subject Properties;

3. DETAILS OF THE OFFERING *(Cont'd)*

- (iv) third-party first-ranking legal assignment by the Trustee in favour of the Security Trustee over all the Trustee's rights, titles, interests and benefits under the tenancy agreements and/or lease agreements and/or like agreements in relation to the Subject Properties or, as the case may be, the letting and/or leasing of the Subject Properties (including, without limitation, any and all consideration and/or rental payable thereunder) provided that for the assignment which requires consent from the relevant counterparty, the Trustee is able to obtain such consent from the relevant counterparty. In the event the Trustee is unable to obtain consent from the relevant counterparty for such assignment despite best efforts by the Trustee to the satisfaction of the Security Trustee, the Trustee shall assign all the Trustee's rights, titles, interests and benefits in and under the proceeds arising from the tenancy agreements and/or lease agreements and/or like agreements in relation to the Subject Properties or, as the case may be, the letting and/or leasing of the Subject Properties including the rights to claim, take legal action and recover such proceeds from the counterparty;
- (v) third-party first-ranking legal assignment by the Trustee in favour of the Security Trustee over all the Trustee's rights, titles, interests and benefits in and under all takaful/insurance policies required to be taken up for the Subject Properties;
- (vi) third-party first-ranking legal charge and assignment by the Trustee in favour of the Security Trustee over all the Trustee's rights, titles, interests and benefits in and under the collection account, proceeds account and operations account;
- (vii) first-party first-ranking legal charge and assignment by Paradigm Capital in favour of the Security Trustee over all Paradigm Capital's rights, titles, interests and benefits in and under the debt service reserve account;
- (viii) irrevocable power of attorney to be granted by the Trustee in favour of the Security Trustee to deal with matters including without limitation to the application for subdivision (if any), the collection of title on behalf of the Trustee, the disposal of the Subject Properties and the collection of rental, the management and operation of the Subject Properties upon occurrence of a trigger event;
- (ix) letter of undertaking from the Manager in favour of the bond trustee of the MTN Programme ("**Bond Trustee**") and the Security Trustee, among others:
 - (a) to deposit all rental cash flows, deposits and other income, in relation to the Subject Properties and any proceeds generated from the Subject Properties into the relevant collection account and all insurance claim proceeds in relation to the Subject Properties into the relevant proceeds account; and
 - (b) that it shall not make or permit to make any withdrawal from the designated accounts in respect of the Subject Properties for the declaration of any income distributions to the Paradigm REIT's unitholders, if:
 - (1) an event of default and/or trigger event has occurred and is continuing or will occur as a result of such payment or distribution; or
 - (2) the financial covenants are not met prior to and/or will not be met after such distribution;
- (x) undertaking from the Trustee in favour of the Bond Trustee and the Security Trustee, among others, to perform all its obligations and comply with all the covenants and undertakings under the MTN Programme and the Issue 1; and

3. DETAILS OF THE OFFERING *(Cont'd)*

- (xi) first-party first-ranking legal assignment by Paradigm Capital in favour of the Security Trustee over all Paradigm Capital's rights, titles, interests and benefits in and under the Issue 1's REIT Trustee Financing Agreement.

The mode of issuance of the MTNs shall be by way of either private placement, bought deal and/or book building on best effort basis.

3.9 UTILISATION OF PROCEEDS

As Paradigm REIT will not be issuing any new Units under the Offering, Paradigm REIT will not receive any cash from the Offering.

Estimated Listing expenses of approximately RM7.4 million to be incurred will be funded through the MTN Programme undertaken by Paradigm Capital and internally generated funds of Paradigm REIT from the Subject Properties. The expenses will be fully settled within 1 month from the Listing. The breakdown of the estimated expenses in relation to the Listing is as follows:

Estimated Listing expenses	RM'000
Professional and advisory fees	6,984
Regulatory fees	318
Printing, investor relations and other related expenses	83
Total	7,385

3.10 BROKERAGE, UNDERWRITING COMMISSION, PLACEMENT FEE AND OTHER FEES AND CHARGES

3.10.1 Brokerage

The Selling Subsidiary will bear brokerage relating to the Offer Units made available for application under the Retail Offering at the rate of 1.0% of the Retail Price in respect of successful applications which bear the stamp of Maybank IB, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

The Joint Bookrunners are entitled to charge brokerage to successful applicants under the Institutional Offering. For the avoidance of doubt, the brokerage commission under the Institutional Offering will not be payable by Paradigm REIT.

3.10.2 Underwriting Commission

As stipulated in the Retail Underwriting Agreement, the Sole Managing Underwriter and Joint Underwriters has agreed to underwrite the Offer Units made available for application under the Retail Offering for an underwriting commission of up to 2.50% (exclusive of applicable tax) of the amount equal to the Retail Price multiplied by the 254,657,500 Offer Units underwritten under the Retail Offering in accordance with the terms of the Retail Underwriting Agreement.

3.10.3 Placement Fee

Pursuant to the Placement Agreement to be entered into by the relevant parties, the Selling Subsidiary agrees to pay the Joint Bookrunners for the Institutional Offering, a placement fee of up to 2.50% (exclusive of applicable tax) of the amount equal to the gross proceeds raised under the Institutional Offering, being the number of Offer Units under the Institutional Offering at the Institutional Price.

3. DETAILS OF THE OFFERING *(Cont'd)*

3.10.4 Fees and Charges Payable Directly by Unitholders

The following is a summary of the amount of certain fees and charges payable by the Unitholders in connection with the purchase, sale and holding of their investments in Paradigm REIT or trading of the Units (so long as the Units are listed):

	Payable by Unitholders directly	Amount payable
(i)	Bursa Securities clearing fee	0.03% of the transaction value, subject to a maximum of RM1,000.00 per transaction
(ii)	Brokerage	A percentage of the transaction value prescribed by or negotiated with the ADAs, subject to a minimum of RM40.00 per transaction save for (i) online routed retail transactions, (ii) transactions executed in less than a board lot, and (iii) transactions paid with cash up front, for which the minimum brokerage fees are fully negotiable
(iii)	Stamp duty	RM1.00 for every RM1,000.00 or fractional part of the transaction value, subject to a maximum of RM200.00 per transaction

The above rates may be subject to changes by the relevant parties. Further information on the charges you may incur from the trading of Units on Bursa Securities may be found on Bursa Securities' website at www.bursamalaysia.com.

3. DETAILS OF THE OFFERING *(Cont'd)*

3.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

Subject to the terms and conditions contained in the Underwriting Agreement, the Joint Underwriters agree to underwrite the 254,657,500 Offer Units under the Retail Offering, subject to the Clawback and Reallocation provisions. In consideration for the Joint Underwriters acting as the underwriters to subscribe and/or procure subscribers, the Joint Underwriters will receive an underwriting commission of up to 2.50% (exclusive of applicable tax) of the amount equal to the Retail Price multiplied by the 254,657,500 Offer Units underwritten under the Retail Offering.

The following is an extract of the salient terms contained in the Underwriting Agreement:

Notwithstanding anything contained in the Underwriting Agreement, the Sole Managing Underwriter (for and on behalf of the Joint Underwriters), may by notice in writing to the Sponsor, the Selling Subsidiary, the Manager and the Trustee given at any time before the date of Listing, terminate, cancel and withdraw its underwriting commitment if in the opinion of the Sole Managing Underwriter:

- (a) there is any breach or failure on the part of the Manager, the Trustee, the Sponsor or the Selling Subsidiary to perform any obligations contained in the Underwriting Agreement which results in any event, development or occurrence, or series of events, developments or occurrences, which, in the reasonable opinion of the Sole Managing Underwriter, have or would have a material adverse effect, whether individually or in the aggregate, and whether or not arising in the ordinary course of business, on any of the following: (i) the condition (financial, business, operations or otherwise), contractual commitments, management, general affairs, business, assets, liquidity, liabilities, prospects, earnings, undertakings, unitholders' equity, properties or results of operations of Paradigm REIT or the Subject Properties taken as a whole; (ii) the ability of the Manager, the Selling Subsidiary, the Trustee or the Sponsor to perform in any respect its obligations under or with respect to, or to consummate the transactions contemplated by, this Prospectus, the Underwriting Agreement, the Placement Agreement and each of the lock-up agreement (collectively, "**Transaction Agreements**"); (iii) the IPO including but not limited to the success of the IPO or the sale of the Offer Units pursuant to the IPO ("**Material Adverse Effect**") and, where such breach or failure is capable of remedy, the same not being remedied within 5 business days or such number of days which the parties may mutually agree upon in writing;
- (b) there is an occurrence of any event or discovery of any fact or circumstances rendering any of the warranties set out in the Underwriting Agreement untrue, inaccurate, incorrect or misleading or ceases to be true, accurate and correct or becomes misleading, in any respect or any of the undertakings made by the Manager, the Trustee, the Sponsor or the Selling Subsidiary under the Underwriting Agreement not complied with, breached and/or failed to be performed in any respect;
- (c) the Manager, the Trustee, the Sponsor or the Selling Subsidiary withholds any information from the Sole Managing Underwriter and the Joint Underwriters, which has a Material Adverse Effect;
- (d) there shall have occurred, happened or come into effect any event or series of events beyond the reasonable control of the Sole Managing Underwriter and the Joint Underwriters by reason of Force Majeure (as defined herein) which would have a Material Adverse Effect or which would have or is likely to have the effect of making any obligation under the Underwriting Agreement incapable of performance in accordance with its terms. "Force Majeure" means causes which are unpredictable and beyond the reasonable control of the Party claiming Force Majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation including but not limited to:

3. DETAILS OF THE OFFERING *(Cont'd)*

- (i) war, acts of warfare, sabotages, hostilities, invasion, incursion by armed force, act of a hostile army, nation or enemy, civil war or commotion, hijacking, terrorism;
- (ii) riot, uprising against constituted authority, civil commotion, disorder, rebellion, organised armed resistance to the government, insurrection, revolt, military takeover or usurped power;
- (iii) natural catastrophe including but not limited to earthquakes, floods, fire, storm, lightning, tempest, explosions, accident, or other acts of God; or
- (iv) any local, national or international occurrence or outbreak of disease, or pandemic (excluding the current state of COVID-19 endemic), epidemic, the imposition of lockdowns or similar measures to control the spread of any epidemic, any outbreak or material escalation of hostilities or national emergency, whether war has been declared or not, or insurrection or armed conflict or terrorist event (whether or not involving financial markets), the occurrence of any other calamity or crisis or emergency or any event or series of events in the nature of force majeure, or deterioration of any such condition;
- (e) there shall have occurred any government requisition that affects, among others, the operation of the Subject Properties or other events whatsoever which would have a Material Adverse Effect;
- (f) there shall have occurred any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political or economic conditions or exchange control or currency exchange rates which would have or likely to have a Material Adverse Effect, or would have or is likely to have a material adverse effect (whether in the primary market or in respect of dealings in the secondary market) on the value or price of the Offer Units.

For the avoidance of doubt, and without prejudice to the foregoing, if the FTSE Bursa Malaysia KLCI ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:

- (i) on or after the date of the Underwriting Agreement; and
 - (ii) prior to the closing date of the Retail Offering,
- lower than 85% of the level of the Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days, it shall be deemed an event that would have a Material Adverse Effect or would have a material adverse effect on the value or price of the IPO units;
- (g) trading in units, shares or securities generally on Bursa Securities, the Singapore Exchange Securities Trading Limited, the Hong Kong Stock Exchange, National Association of Securities Dealers Automated Quotations ("**Nasdaq**"), the New York Stock Exchange or the London Stock Exchange, has been restricted or suspended or minimum prices have been established on Bursa Securities, the Singapore Exchange Securities Trading Limited, the Hong Kong Stock Exchange, Nasdaq, the New York Stock Exchange or the London Stock Exchange for 3 consecutive market days or more, or a devaluation of Ringgit Malaysia against any foreign currencies which would have or is likely to have a Material Adverse Effect;

3. DETAILS OF THE OFFERING *(Cont'd)*

- (h) there shall have been announced or carried into force any new law or change in law in any jurisdiction, interpretation or application by any court or the relevant authority including any administrative, governmental, statutory or regulatory commission, board, body, authority or agency, and any stock exchange, self-regulatory organisation, accreditation organisation or other non-governmental regulatory authority (including but not limited to the SC, Bursa Securities and the CCM), and any court, tribunal or arbitrator, in each case in Malaysia or any other jurisdiction, and whether national, central, federal, provincial, state, regional, municipal, local, domestic, foreign, supranational or otherwise (“**Authorities**”) which may: (i) have a Material Adverse Effect; or (ii) in the reasonable opinion of the Sole Managing Underwriter, prejudice the success of the IPO or the Listing or which would have or is likely to have the effect of making it impracticable to enforce contracts to allot and/or transfer the Offer Units or making any obligation under the Underwriting Agreement incapable of performance in accordance with its terms;
- (i) the IPO is stopped or delayed by the Manager, the Trustee, the Sponsor or the Selling Subsidiary or any relevant Authorities for any reason whatsoever (unless such delay has been approved by the Sole Managing Underwriter);
- (j) the closing date of the Underwriting Agreement does not occur by 23 May 2025 or such other extended date as may be agreed in writing by the Sole Managing Underwriter;
- (k) the Listing does not take place by 10 July 2025 or such other extended date as may be agreed in writing by the Sole Managing Underwriter;
- (l) any commencement of legal proceedings, formal investigations, enquiries or action against the Manager, the Trustee, the Sponsor or the Selling Subsidiary or any of their directors or associates, which causes, or is likely to give rise to, a Material Adverse Effect or make it impracticable to market the IPO or to enforce contracts to allot and/or transfer the Offer Units;
- (m) any breach of any of the obligations of the Sponsor or the Selling Subsidiary under any one of the Transaction Agreements which has a Material Adverse Effect;
- (n) any one of the Transaction Agreements (i) having been terminated or rescinded in accordance with its terms thereof; (ii) ceases to have any effect whatsoever, or (iii) is varied or supplemented upon its terms and such variation or supplementation would have a Material Adverse Effect;
- (o) any of the board resolutions and to the extent applicable, shareholders’ resolutions of each of the Manager, the Trustee, the Sponsor and the Selling Subsidiary, to the extent applicable, in respect of the IPO, Listing, its execution of the Transaction Agreements and other approvals pertaining to the IPO and Listing, is revoked, withdrawn, suspended or ceases to have any effect whatsoever, or is varied or supplemented upon terms which would have a Material Adverse Effect;
- (p) in the event the IPO or Listing is withdrawn, revoked, modified or varied or not procured or procured but subject to conditions not acceptable to the Sole Managing Underwriter;
- (q) if the SC or any other relevant Authority issues an order or ruling, or a prohibition on any of the Manager, the Trustee, the Sponsor, and the Selling Subsidiary has been imposed for whatever reason, such as to make it impracticable to market the IPO or to enforce contracts to issue, allot, sell and/or transfer the Offer Units;

3. DETAILS OF THE OFFERING *(Cont'd)*

- (r) any statements contained in this Prospectus has become or been discovered to be untrue, inaccurate or misleading in any respect, or matters have arisen or have been discovered which would, if any of the Offer Documents were to be issued at that time, constitute a material omission therefrom;
- (s) a banking moratorium has been declared by the relevant Authorities in Malaysia, Singapore, Hong Kong, United States, the European Union (or any member thereof) or the United Kingdom, or a disruption of commercial banking activities, foreign exchange trading or securities settlement or clearance services has occurred in Malaysia, Singapore, Hong Kong, United States, the European Union (or any member thereof) or the United Kingdom which would have or is likely to have a Material Adverse Effect; and
- (t) the conditional SPAs dated 13 March 2025 entered into between the Trustee (on behalf of Paradigm REIT) and the Vendors for the Acquisitions shall have been breached by any parties which has a Material Adverse Effect, or terminated or rescinded in accordance with the terms thereof.

3.12 LOCK-UP ARRANGEMENT

The following is an extract of the salient terms contained in each of the following lock-up agreements:

- (i) The Manager has agreed with the Joint Bookrunners that for a period beginning on and including the date of the lock-up agreement and ending on and including the date that is 6 months from the Listing Date ("**Lock-Up Period**"), it will not without the prior written consent of the Joint Bookrunners, directly or indirectly, conditionally or unconditionally:
 - (a) issue, allot, offer, sell, contract to sell, assign, grant any option or contract to purchase, purchase any option or contract to sell, grant security over, encumber, pledge, mortgage, charge, lend, create, subscribe for, hypothecate, transfer or otherwise dispose or agree to dispose of any legal or beneficial interest therein or in respect thereof (including by the creation of or an agreement to create or issuing or selling or granting or agreeing to issue or sell or grant any option or contract to purchase or any warrant or right to purchase) any Units (or any securities convertible into or exercisable or exchangeable for such Units or which carry the rights to subscribe for or purchase any such Units or contracting to do so or that are substantially similar to such Units);
 - (b) enter into any swap, hedge, derivative or any other arrangement, agreement or transaction that transfers to another, in whole or in part, any of the economic consequences of or incidents of ownership of the Units (or any securities convertible into or exercisable or exchangeable for or repayable with any such Units or which carry the rights to subscribe for or purchase or represent the right to receive or that are substantially similar to any such Units), whether any such swap, hedge or transaction described in Section 3.12(i)(a) above or this Section 3.12(i)(b) is to be settled by the delivery of any Units or such other securities, in cash or otherwise;
 - (c) deposit any Units (or any securities convertible into or exchangeable for any such Units or which carry the rights to subscribe or purchase or that represent the right to receive or that are substantially similar to any such Units) in any depository receipt facilities whether such transaction described in Sections 3.12(i)(a) and 3.12(i)(b) above is to be settled by the delivery of any Units or such other securities, in cash or otherwise;

3. DETAILS OF THE OFFERING *(Cont'd)*

- (d) save for any stabilising action permissible under the applicable law, take any action which is designed to or which constitutes, or which would reasonably be expected to cause or result in stabilisation or manipulation of the price of the Units;
- (e) enter into or effect, or offer to or agree to enter into or effect a transaction which is designed or which may reasonably be expected to result in or with the same economic effect as any transactions or actions described in Sections 3.12(i)(a) to 3.12(i)(d) above; or
- (f) publicly announce any intention to do any of the above.

The restrictions in Section 3.12(i) above do not apply to:

- (1) the Units to be issued, offered, transferred and sold under the Offering;
- (2) the Consideration Units;
- (3) the Units to be issued to the Manager for payment of any Management Fees; and
- (4) the transfer, sale or disposal of the Units to a custodian, trustee, wholly-owned subsidiary or nominee ("**Permitted Transferee**") of the Manager provided that the Manager procures that the Permitted Transferee of the Manager executes and delivers to the Joint Bookrunners a written undertaking to the effect that the Permitted Transferee of the Manager recognises and will comply with the restrictions set forth in the lock-up agreement to remain in effect for the remainder of the Lock-Up Period and if at any time prior to the expiration of such restrictions on transfer, any Permitted Transferee of the Manager that is a wholly-owned subsidiary will cease to be a wholly-owned subsidiary of the Manager, such wholly-owned subsidiary shall, before such cessation, transfer any Units held by it to the Manager or another Permitted Transferee of the Manager which has delivered a written undertaking to the effect that it recognises and will comply with the restrictions set forth in the lock-up agreement to remain in effect for the remainder of the Lock-Up Period.

- (ii) The Sponsor has agreed with the Joint Bookrunners that for the Lock-Up Period, it will not without the prior written consent of the Joint Bookrunners, directly or indirectly, conditionally or unconditionally:
 - (a) offer, sell, contract to sell, assign, grant any option or contract to purchase, purchase any option or contract to sell, grant security over, encumber, pledge, mortgage, charge, lend, create, subscribe for, hypothecate, transfer or otherwise dispose or agree to dispose of any legal or beneficial interest therein or in respect thereof (including by the creation of or an agreement to create or selling or granting or agreeing to sell or grant any option or contract to purchase or any warrant or right to purchase) any Units (or any securities convertible into or exercisable or exchangeable for such Units or which carry the rights to subscribe for or purchase any such Units or contracting to do so or that are substantially similar to such Units) whether now owned or acquired by the Sponsor between the date hereof and the Listing Date ("**Sponsor Lock-Up Units**");

3. DETAILS OF THE OFFERING *(Cont'd)*

- (b) enter into any swap, hedge, derivative or any other arrangement, agreement or transaction that transfers to another, in whole or in part, any of the economic consequences of or incidents of ownership of the Sponsor Lock-Up Units (or any securities convertible into or exercisable or exchangeable for or repayable with any such Sponsor Lock-Up Units or which carry the rights to subscribe for or purchase or represent the right to receive or that are substantially similar to any such Sponsor Lock-Up Units), whether any such swap, hedge or transaction described in Section 3.12(ii)(a) above or this Section 3.12(ii)(b) is to be settled by the delivery of any Sponsor Lock-Up Units or such other securities, in cash or otherwise;
- (c) deposit any Sponsor Lock-Up Units (or any securities convertible into or exchangeable for any such Sponsor Lock-Up Units or which carry the rights to subscribe or purchase or that represent the right to receive or that are substantially similar to any such Sponsor Lock-Up Units) in any depository receipt facilities whether such transaction described in Sections 3.12(ii)(a) and 3.12(ii)(b) above is to be settled by the delivery of any Sponsor Lock-Up Units or such other securities, in cash or otherwise;
- (d) save for any stabilising action permissible under the applicable law, take any action which is designed to or which constitutes, or which would reasonably be expected to cause or result in stabilisation or manipulation of the price of the Units;
- (e) enter into or effect, or offer to or agree to enter into or effect a transaction which is designed or which may reasonably be expected to result in or with the same economic effect as any transactions or actions described in Sections 3.12(ii)(a) to 3.12(ii)(d) above; or
- (f) publicly announce any intention to do any of the above.

The restrictions in Section 3.12(ii) above do not apply to the transfer, sale or disposal of the Sponsor Lock-Up Units to a Permitted Transferee of the Sponsor provided that the Sponsor procures that the Permitted Transferee of the Sponsor executes and delivers to the Joint Bookrunners a written undertaking to the effect that the Permitted Transferee of the Sponsor recognises and will comply with the restrictions set forth in the lock-up agreement to remain in effect for the remainder of the Lock-Up Period and if at any time prior to the expiration of such restrictions on transfer, any Permitted Transferee of the Sponsor that is a wholly-owned subsidiary will cease to be a wholly-owned subsidiary of the Sponsor, such wholly-owned subsidiary shall, before such cessation, transfer any Sponsor Lock-Up Units held by it to the Sponsor or another Permitted Transferee of the Sponsor which has delivered a written undertaking to the effect that it recognises and will comply with the restrictions set forth in the lock-up agreement to remain in effect for the remainder of the Lock-Up Period.

3. DETAILS OF THE OFFERING *(Cont'd)*

- (iii) JPSB has agreed with the Joint Bookrunners that for the Lock-Up Period, it will not without the prior written consent of the Joint Bookrunners, directly or indirectly, conditionally or unconditionally:
- (a) offer, sell, contract to sell, assign, grant any option or contract to purchase, purchase any option or contract to sell, grant security over, encumber, pledge, mortgage, charge, lend, create, subscribe for, hypothecate, transfer or otherwise dispose or agree to dispose of any legal or beneficial interest therein or in respect thereof (including by the creation of or an agreement to create or selling or granting or agreeing to sell or grant any option or contract to purchase or any warrant or right to purchase) any Units (or any securities convertible into or exercisable or exchangeable for such Units or which carry the rights to subscribe for or purchase any such Units or contracting to do so or that are substantially similar to such Units) whether now owned or acquired by JPSB between the date hereof and the Listing Date (“**JPSB Lock-Up Units**”);
 - (b) enter into any swap, hedge, derivative or any other arrangement, agreement or transaction that transfers to another, in whole or in part, any of the economic consequences of or incidents of ownership of the JPSB Lock-Up Units (or any securities convertible into or exercisable or exchangeable for or repayable with any such JPSB Lock-Up Units or which carry the rights to subscribe for or purchase or represent the right to receive or that are substantially similar to any such JPSB Lock-Up Units), whether any such swap, hedge or transaction described in Section 3.12(iii)(a) above or this Section 3.12(iii)(b) is to be settled by the delivery of any JPSB Lock-Up Units or such other securities, in cash or otherwise;
 - (c) deposit any JPSB Lock-Up Units (or any securities convertible into or exchangeable for any such JPSB Lock-Up Units or which carry the rights to subscribe or purchase or that represent the right to receive or that are substantially similar to any such JPSB Lock-Up Units) in any depository receipt facilities whether such transaction described in Sections 3.12(iii)(a) and 3.12(iii)(b) above is to be settled by the delivery of any JPSB Lock-Up Units or such other securities, in cash or otherwise;
 - (d) save for any stabilising action permissible under the applicable law, take any action which is designed to or which constitutes, or which would reasonably be expected to cause or result in stabilisation or manipulation of the price of the Units;
 - (e) enter into or effect, or offer to or agree to enter into or effect a transaction which is designed or which may reasonably be expected to result in or with the same economic effect as any transactions or actions described in Sections 3.12(iii)(a) to 3.12(iii)(d) above; or
 - (f) publicly announce any intention to do any of the above.

The restrictions in Section 3.12(iii) above do not apply to:

- (1) the ability of JPSB to pledge the JPSB Lock-Up Units in favour of Malaysian Trustees Berhad, being the security trustee for the MTN programme, as security for the obligations of JPSB under the said MTN programme; and

3. DETAILS OF THE OFFERING (Cont'd)

- (2) the transfer, sale or disposal of the JPSB Lock-Up Units to a Permitted Transferee of JPSB provided that JPSB procures that the Permitted Transferee of JPSB executes and delivers to the Joint Bookrunners a written undertaking to the effect that the Permitted Transferee of JPSB recognises and will comply with the restrictions set forth in the lock-up agreement to remain in effect for the remainder of the Lock-Up Period and if at any time prior to the expiration of such restrictions on transfer, any Permitted Transferee of JPSB that is a wholly-owned subsidiary will cease to be a wholly-owned subsidiary of JPSB, such wholly-owned subsidiary shall, before such cessation, transfer any JPSB Lock-Up Units held by it to JPSB or another Permitted Transferee of JPSB which has delivered a written undertaking to the effect that it recognises and will comply with the restrictions set forth in the lock-up agreement to remain in effect for the remainder of the Lock-Up Period.

3.13 TRADING ON THE MAIN MARKET AND SETTLEMENT IN THE SECONDARY MARKET

Upon listing and quotation on the Main Market, the Units will be traded on the Main Market and transferred by book-entry settlement through CDS, which will be effected in accordance with the Rules of Depository, as amended from time to time, and the provisions of the SICDA. Bursa Depository operates the CDS.

Unitholders are required under the Rules of Depository to maintain CDS Accounts, either directly in their name or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as Unitholders in respect of the number of Units credited to their respective securities accounts.

Transfer of Units under the book-entry settlement will be reflected by the seller's CDS Account being debited with the number of Units sold and the buyer's CDS Account being credited with the number of Units acquired. No transfer stamp duty is currently payable for the Units that are settled on a book-entry basis, although there is a nominal transfer fee of RM10.00 payable for each transfer not transacted on the market.

Dealings in units of REITs listed on the Main Market are normally transacted in "board lots" of 100 units. Investors who desire to deal in less than 100 units of a listed REIT occasionally experience delays in effecting such transaction.

It is expected that the Units offered under the Offering will commence trading on the Main Market approximately 11 Market Days after the close of the Institutional Offering. Subscribers of the Units will not be able to sell or otherwise deal in the Units prior to the commencement of trading on the Main Market. Please refer to Section 5 "Risk Factors" of this Prospectus for further details.

4. FINANCIAL INFORMATION

4.1 UNAUDITED PRO FORMA STATEMENT OF COMPREHENSIVE INCOME

The objective of the Pro Forma Statement of Comprehensive Income is to show what the results of operations might have been had Paradigm REIT existed at an earlier date. However, the Pro Forma Statement of Comprehensive Income is not necessarily indicative of the results of operation that would have been attained had Paradigm REIT actually existed earlier.

The applicable criteria on the basis of which the Board and the board of directors of WCT have compiled the Pro Forma Statement of Comprehensive Income are specified in Chapter 12 of Part III of the CIS Prospectus Guidelines.

The Pro Forma Statement of Comprehensive Income has been prepared based on the information extracted from the Vendors' audited financial statements for the FYE 2022, FYE 2023 and FYE 2024, which were prepared in accordance with the approved accounting standards in Malaysia. The Vendors' audited financial statements for the FYE 2022, FYE 2023 and FYE 2024 were not subject to any audit qualification.

Certain numbers have been re-presented or reclassified in this pro forma to conform with the basis of presentation of the Pro Forma Statement of Comprehensive Income and may not be consistent with the basis of presentation in the audited financial statements of the Vendors. The Pro Forma Statement of Comprehensive Income has been prepared in accordance with approved accounting standards in Malaysia, and in a manner consistent with the format of the financial statements and the accounting policies to be adopted by Paradigm REIT as set out in Section 4.4.4 "Material accounting policies" of this Prospectus.

In arriving at the Pro Forma Statement of Comprehensive Income, certain key adjustments and assumptions were made:

- (i) The property management fee has been computed based on the Property Management Agreement entered into between the Manager, the Trustee (on behalf of Paradigm REIT) and the Property Manager for the Subject Properties, and as set out in the Section on "Property management fee and reimbursable" under Section 4.4.6 "Components of Property Operating Expenses" of this Prospectus;
- (ii) No acquisition fee has been assumed for the financial years presented;
- (iii) Depreciation expense and support cost which are not applicable to Paradigm REIT have been excluded;
- (iv) Interest income is assumed to be earned based on the weighted average effective interest rate of 2.6% per annum on the pro forma cash and bank balance as at 13 March 2025;
- (v) The fair value of the Subject Properties is assumed to be the Appraised Value for the Subject Properties of RM2,437.0 million based on the valuation performed by the Independent Property Valuer;
- (vi) The computation of Management Fees and Trustee's fee take into account the formula set out in the Deed and as set out in Section 4.4.8 "Components of Non-Property Expenses" of this Prospectus;
- (vii) Non-property expenses comprise annual audit fees, tax agent fees, valuation fees, secretarial fee, consultancy fee, professional fee, market research fees, public relation expenses and other expenses relating to the preparation and distribution of reports to the Unitholders, together with other miscellaneous expenses such as postage, printing and stationery;

4. FINANCIAL INFORMATION (Cont'd)

- (viii) Finance costs comprise interest expense on the MTN as set out in Section 3.8 “REIT Financing” of this Prospectus and unwinding of discount on tenants’ deposits payable. It is assumed that the MTN carries an assumed weighted average indicative rate of 4.44% per annum; and
- (ix) No tax expense throughout the financial years presented as it is assumed that 100.0% of Paradigm REIT’s total income (as defined in the Income Tax Act) would be distributed to the Unitholders within 2 months after the close of the financial year.

The pro forma financial information of Paradigm REIT presented below should be read in conjunction with Section 4.4 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Prospectus.

	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Total Revenue	161,631	190,175	218,741
Property Operating Expenses	(56,138)	(73,461)	(71,517)
NPI	105,493	116,714	147,224
Interest income	1,005	1,005	1,005
Changes in fair value of investment properties	-	-	-
Net investment income	106,498	117,719	148,229
Non-property expenses	(12,298)	(12,686)	(13,656)
Finance costs	(37,424)	(36,600)	(36,896)
Profit before taxation	56,776	68,433	97,677
Taxation	-	-	-
Net profit for the financial years, representing total comprehensive income for the financial years attributable to Unitholders	56,776	68,433	97,677
Add: Non-cash items ⁽¹⁾	1,042	1,592	1,721
Distributable Income	57,818	70,025	99,398

Note:

- (1) Non-cash items comprise the Management Fees payable in Units, straight-lining adjustments of rent-free period, staggered rent, rental rebates and fit-out contribution over the lease term in accordance with MFRS 16, reversal of and allowance for ECLs, unwinding of discount on tenants’ deposits payable and gain or loss on disposal of property, plant and equipment.

4. FINANCIAL INFORMATION (Cont'd)

4.2 PRO FORMA STATEMENT OF FINANCIAL POSITION

As at the date of its establishment, Paradigm REIT did not have any assets and liabilities. The following table presents the Pro Forma Statement of Financial Position, prepared for illustrative purposes only, to show the effects of the Acquisitions based on the assumption that such events had been effected on the date of establishment of Paradigm REIT and are not represented as being necessarily indicative of Paradigm REIT's view of its future financial position.

The Pro Forma Statement of Financial Position was prepared based on the Acquisitions of the Subject Properties from the Vendors by the Trustee (on behalf of Paradigm REIT) for a total purchase consideration of approximately RM2,437.0 million to be satisfied in the following manner:

- (i) the issuance of 1,600,000,000 Consideration Units at the issue price of RM1.00 per Consideration Unit, to be credited as fully paid-up; and
- (ii) cash consideration of RM837.0 million raised from the drawdown of the MTN procured by the Trustee on behalf of Paradigm REIT,

as set out in Section 2.10 "Acquisitions of the Subject Properties" of this Prospectus.

The fair value of the Consideration Units is estimated at RM1,600.0 million (based on the issue price of RM1.00 per Unit).

The purchase consideration for the Subject Properties was arrived at based on the independent valuation date of 18 June 2024 for Paradigm Mall PJ and Paradigm Mall JB and 25 June 2024 for Bukit Tinggi Shopping Centre, and subsequently updated as at 31 December 2024.

As part of the Acquisitions, Paradigm REIT will also assume the tenants' deposits payable of the Subject Properties. For purposes of the Pro Forma Statement of Financial Position, these amounts are illustrated based on the carrying amounts of the tenants' deposits payable as at 13 March 2025.

The Pro Forma Statement of Financial Position should be read in conjunction with the "Reporting Accountants' Report on the Pro Forma Statement of Financial Position" included in Appendix D of this Prospectus.

The Pro Forma Statement of Financial Position has been prepared for illustrative purposes in the manner consistent with the format of the financial statements and the accounting policies to be adopted by Paradigm REIT as set out in Section 4.4.4 "Material accounting policies" of this Prospectus.

4. FINANCIAL INFORMATION (Cont'd)

Pro Forma Statement of Financial Position

	Unaudited
	RM'000
Non-current asset	
Investment properties	2,437,000
Current assets	
Cash and bank balances	38,643
Current liability	
Tenants' deposits payable	17,115
Net current assets	21,528
	2,458,528
Equity	
Unitholders' funds ⁽¹⁾	1,592,615
Non-current liabilities	
Tenants' deposits payable	21,903
Accrued rental	2,290
Borrowings ⁽²⁾	841,720
	865,913
	2,458,528
NAV (RM'000) ⁽³⁾	1,592,615
Number of Units in issue ('000)	1,600,000
NAV per Unit (RM) ⁽⁴⁾	1.00

Notes:

- (1) Unitholders' funds of RM1,600.0 million, net of estimated expenses in relation to the issue of the Units of RM7.4 million.
- (2) The borrowings of RM844.0 million is presented net of capitalised transaction costs of RM2.3 million.
- (3) NAV represents the value of Paradigm REIT's total assets less total liabilities.
- (4) NAV per Unit is computed based on NAV divided by number of Units in issue.

4.3 CAPITALISATION AND INDEBTEDNESS

Assuming full subscription under the Offering and based on the Retail Price of RM1.00 per Unit, the following table sets forth the pro forma capitalisation of Paradigm REIT as at the Listing Date. The information in the table below should be read in conjunction with Section 3.9 "Utilisation of Proceeds", Section 4.2 "Pro Forma Statement of Financial Position" and the "Reporting Accountants' Report on the Pro Forma Statement of Financial Position" in Appendix D of this Prospectus and the related notes in this Prospectus.

As at the Listing Date	RM'000
Borrowings ⁽¹⁾⁽²⁾	841,720
Unitholders' funds ⁽³⁾	1,592,615
Total capitalisation	2,434,335

4. FINANCIAL INFORMATION (Cont'd)

Notes:

- (1) *All of Paradigm REIT's indebtedness are secured and not guaranteed by any party.*
- (2) *The borrowings of RM844.0 million is presented net of capitalised transaction costs of RM2.3 million.*
Out of the borrowings of RM844.0 million, RM837.0 million will be used to part finance the Acquisitions and the remaining RM7.0 million will be used to part finance the listing expenses.
- (3) *Unitholders' funds of RM1,600.0 million net of estimated listing expenses for the issue of the Units of approximately RM7.4 million.*

Please refer to Section 3.8 "REIT Financing" of this Prospectus for further details on the MTN.

Based on the Pro Forma Statement of Financial Position, Paradigm REIT is expected to have an initial indebtedness of approximately RM841.7 million, representing approximately 34.0% of its estimated Total Asset Value of RM2,475.6 million.

4.4 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

4.4.1 General Background

Paradigm REIT is a REIT established in Malaysia and constituted by the Deed. As Paradigm REIT is a newly established REIT, it has no historical operating results and financial information based on which recipients of this Prospectus and prospective investors in the Units may evaluate Paradigm REIT save for those of the Subject Properties to be acquired.

Paradigm REIT was established with the principal investment policy of investing, directly and indirectly in a diversified portfolio of income producing Real Estate Assets used for retail, commercial, office, industrial and hospitality purposes and such other Non-Real Estate Assets.

As at the Listing Date, Paradigm REIT's initial asset portfolio will comprise the following 3 retail properties:

- (i) Bukit Tinggi Shopping Centre;
- (ii) Paradigm Mall PJ; and
- (iii) Paradigm Mall JB.

The investment objective of Paradigm REIT is to provide the Unitholders with an exposure to a diversified portfolio of Authorised Investments that will provide regular and stable cash distributions with the potential for long-term growth in the NAV per Unit, while maintaining an appropriate capital structure. For the first 5 years after the Listing, the Manager intends to achieve the investment objectives through the implementation of the following key strategies:

- (a) **Proactive and effective asset management strategy** – The Manager will seek organic growth of its property portfolio, by working closely with the Property Manager, to maintain high occupancy rates, achieve stable rental growth and maximise investment returns and lettable area;
- (b) **Acquisition growth strategy** – The Manager will actively seek out properties that can generate stable cash flows, providing consistent income for the Unitholders within Malaysia. While Paradigm REIT will primarily focus on established and mature markets with proven rental track records, it will also consider emerging market with growth potential. Furthermore, the Manager will prioritise assets with potential for long-term capital appreciation to enhance the overall value of Paradigm REIT; and

4. FINANCIAL INFORMATION (Cont'd)

- (c) **Capital and risk management strategy** – The Manager aims to optimise Paradigm REIT's capital structure and cost of capital within the financing limits set out in the REIT Guidelines and intends to use a combination of debt and equity financing to fund future acquisitions and capital expenditure.

Please refer to Section 1.3 "Strategies" of this Prospectus for further details.

4.4.2 Presentation of financial information

Paradigm REIT is a newly established REIT, and except for the Subject Properties to be acquired, Paradigm REIT does not have any portfolio of Real Estate since its establishment. No historical financial information has been prepared since Paradigm REIT's establishment. The Manager's intention is for Paradigm REIT's first audited financial period to be the period commencing on the date of establishment of Paradigm REIT and ending on 31 December 2025. In order to assist investors' evaluation of the factors which may affect Paradigm REIT's future financial results, the Manager has prepared the Profit Forecast together with the related assumptions and information contained in Section 4.5.2 "Bases and assumptions" of this Prospectus which should be read together with the "Reporting Accountants' Letter on the Profit Forecast" in Appendix E of this Prospectus.

4.4.3 Factors affecting Paradigm REIT's financial condition and results of operations

General economic conditions and demand and supply of the retail sector

The Subject Properties are located in Malaysia. As a result, Paradigm REIT's business and results of operations are affected by, among others, the demand for and supply of the retail real estate space in Malaysia which are in turn affected by general economic conditions of Malaysia, such as the local and international market economic conditions, the financial conditions of tenants, the availability of debt or equity financing, interest rates, other operating expenses and environmental law and regulations, other governmental rules and fiscal policies and competition for other property owners for tenants. The principal competitive factors comprise, among others, rental rates, quality and location of the properties, supply of comparable space and evolving needs of business users, including those brought about by corporate restructuring and/or technological advances.

Rental rates

Save for Bukit Tinggi Shopping Centre which is master leased to AEON, the rental rates of Paradigm Mall PJ and Paradigm Mall JB are affected by, among others, the following:

- (i) rental rates of comparable malls;
- (ii) tenancy profiles including tenant mix as different types of tenants pay different rental rates;
- (iii) renewal options;
- (iv) size, location and configuration of NLA within the malls;
- (v) sales performance and business conditions of tenants;
- (vi) shopper traffic, profile and spending patterns;
- (vii) number of tourists to Malaysia which is affected by, among others, the more favourable foreign currency exchange rate to tourists; and
- (viii) general macroeconomic and supply/demand trends affecting the real estate market, particularly the retail real estate market in Malaysia.

4. FINANCIAL INFORMATION (Cont'd)

Bukit Tinggi Shopping Centre is under the AEON Lease Agreement which expires on 23 November 2029 with an option to renew upon expiry of the lease for an additional 3 years. The rental rate of Bukit Tinggi Shopping Centre may be affected if AEON chooses not to renew the master lease when it expires on 23 November 2029.

Occupancy and retention rates

Save for Bukit Tinggi Shopping Centre which is master leased to AEON, occupancy and retention rates of Paradigm Mall PJ and Paradigm Mall JB depend on:

- (i) supply and demand trends affecting the retail real estate markets;
- (ii) the minimisation of the potential vacancy periods arising from tenancy expiries and early terminations; and
- (iii) rental rates of other competing properties within the locality.

Bukit Tinggi Shopping Centre is under the AEON Lease Arrangement which expires on 23 November 2029 with an option to renew upon expiry of the lease for an additional 3 years. The occupancy and retention rate of Paradigm REIT may be affected if AEON chooses not to renew the master lease when it expires on 23 November 2029.

Property Operating Expenses

As Bukit Tinggi Shopping Centre is master leased to AEON, AEON is responsible for all the Property Operating Expenses in respect of Bukit Tinggi Shopping Centre including, among others, costs associated with the repairs and maintenance relating to the interior of Bukit Tinggi Shopping Centre, utilities, insurance covering the fire, plate glass and public liability. Whereas, Paradigm REIT will be responsible for, among others, repairs and maintenance for the building structure, car park and exterior of Bukit Tinggi Shopping Centre, insurance covering fire and perils, fire consequential loss, machinery breakdown, burglary, plate glass and public liability for Bukit Tinggi Shopping Centre, and quit rent and assessment of Bukit Tinggi Shopping Centre levied by the local Government and State Authority where Bukit Tinggi Shopping Centre is located.

Property Operating Expenses to be borne by Paradigm REIT are not affected to the same degree as Paradigm REIT's Total Revenue by general economic trends affecting the real estate market in Malaysia, as a substantial part of its Property Operating Expenses are fixed in nature. As a result, to the extent that Paradigm REIT's Total Revenue is negatively affected by the abovementioned factors, its results of operations will be similarly negatively affected because it would not be easy to reduce Paradigm REIT's costs without compromising the quality of retail environment and conditions of the Subject Properties.

Property Operating Expenses may be affected by a number of factors including, primarily:

- (i) age, upkeep and upgrading of the Subject Properties;
- (ii) maintenance and service charges levied by the service providers and utilities tariff;
- (iii) inflation and the general increase in prices for services and cost of materials and increase in service tax;
- (iv) changes in quit rent and assessment levied by the local government and/or the State Authority where the Subject Properties are located;
- (v) premium hike on insurance coverage procured over the Subject Properties;
- (vi) fee and reimbursement arrangement with the Property Manager;
- (vii) cyclical effect of festive seasons which drive the marketing expenses, in particular, the cost of holding of marketing events and activities; and

4. FINANCIAL INFORMATION (Cont'd)

- (viii) employment conditions (which may affect labour costs of the Property Manager, which are re-charged to Paradigm REIT).

Please refer to Section 4.4.6 “Components of Property Operating Expenses” of this Prospectus.

Finance costs

Finance costs consist of interest expense incurred on borrowings and unwinding of discount on tenants' deposits payable. Finance costs will depend on interest rates of borrowings incurred by Paradigm REIT. Please refer to the Section “Financial liabilities” under Section 4.4.4 “Material accounting policies” of this Prospectus for further details.

Fair value of the Subject Properties and cyclical

Independent professional valuation will be obtained at least once every financial year in accordance with the REIT Guidelines or such other shorter interval as the Manager deems necessary and these valuations will be conducted on the bases and methods which are in accordance with the Malaysia Valuation Standards and, where applicable, the Asset Valuation Guidelines. Any increase or decrease in valuation will be credited or charged directly to Paradigm REIT's Statement of Comprehensive Income as changes in fair value of investment properties. The revaluation of the Subject Properties may therefore in the future result in significant fluctuations in the financial performance of Paradigm REIT.

Property values are affected by, among others, supply of and demand for comparable properties, the rate of economic growth in Malaysia, any AEI undertaken, interest rates and inflation. Retail property markets have historically been cyclical and future cyclical changes may result in fluctuations in the fair value of investment properties and Paradigm REIT's financial condition.

Financial impact of COVID-19 pandemic

The COVID-19 pandemic in 2020 led to the Government imposing various measures such as movement control order, closure of international borders and physical distancing, in order to curb the spread of COVID-19. As a result, non-essential retailers, entertainment outlets and malls were ordered to shut down or not able to operate optimally. Despite relaxations of movement control order were introduced at different stages of the movement control order in Malaysia, the footfall to malls remained low and retail sales had dropped drastically as shoppers were cautious of their spending besides being concern of COVID-19 infection.

Overall, there was no significant impact to occupancy rates throughout the COVID-19 pandemic as rental rebates were provided by the Vendors to the tenants to ensure the tenant's business continuity and long-term sustainability. For the avoidance of doubt, the COVID-19-related rental rebates have been discontinued in 2024 following the gradual recovery of the Subject Properties. However, these rental rebates had an impact that extended beyond the FYE 2024 due to the straight-lining adjustments of such rental rebates over the lease term in accordance with the requirements of MFRS 16 and are expected to have minimal impact on the Total Revenue for the FYE 2025. The COVID-19-related rental rebates for the FYE 2022 to the FYE 2024 are set out below:

Subject Properties	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000
Bukit Tinggi Shopping Centre	274	59	-
Paradigm Mall PJ	6,928	1,122	236
Paradigm Mall JB	7,115	584	591
	14,317	1,765	827

Lower car park income was recorded for the FYE 2020 and FYE 2021 due to lower shoppers' visitation to the malls following the imposition of the movement control order. This had caused lower Rental Income and lower other income arising from the car park income.

4. FINANCIAL INFORMATION (Cont'd)

Due to the COVID-19 pandemic, more sanitising and cleaning activities had been undertaken in the malls and the cost of purchasing hygiene equipment and tools had increased significantly. This had resulted in higher operating expenses for the malls. Coupled with the lower Rental Income and higher operating expenses, it had put downward pressure on the NPI and in turn, the Distributable Income.

For more information on the effects of the COVID-19 pandemic on the operations of the malls, please refer to Section 2.9.1 "COVID-19 conditions in Malaysia" of this Prospectus.

4.4.4 Material accounting policies

The following accounting policies are adopted by Paradigm REIT as at date of establishment:

(a) Basis of preparation

The financial statements of Paradigm REIT will be prepared on the historical cost basis, unless otherwise described below, and in compliance with the provisions of the Deed, MFRS and International Financial Reporting Standards.

(b) Payment of Distributable Income

Paradigm REIT recognises a liability to pay Distributable Income to the Unitholders when the distribution is authorised and the distribution is no longer at the discretion of the Manager.

(c) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to the initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect, if any. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

(d) Financial assets and financial liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets at amortised cost (debt instruments)

Paradigm REIT's financial assets are solely debt instruments, which are classified as financial assets at amortised cost (debt instrument).

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 profit or loss when the asset is derecognised, modified or impaired.

Financial assets at amortised cost includes cash and bank balances, trade receivables and other receivables (excluding prepayments).

Impairment of financial assets

Allowance for ECLs is recognised for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that are expected to be received, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

4. FINANCIAL INFORMATION (Cont'd)

For trade receivables, a simplified approach is applied in calculating ECLs. Individual assessment is performed on each individual receivables and a loss allowance is recognised based on the individual receivables' exposures to credit losses, adjusted for forward-looking factors specific for the debtor and the economic condition.

A financial asset is considered in default when contractual payments are 90 days past due. However, in certain cases, a financial asset may be considered to be in default when internal or external information indicates that it is unlikely for the outstanding contractual amounts to be received in full before taking into account any credit enhancements held. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) Financial liabilities

Financial liabilities are classified, at initial recognition, as loans and borrowings and payables.

All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs.

Financial liabilities include trade and other payables, and loans and borrowings including bank overdrafts.

Trade payables, other payables, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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. The EIR amortisation is included as finance costs in the statement of profit or loss.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks and deposits with licensed banks with a maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts, if any, that form an integral part of Paradigm REIT's cash management.

(f) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest that an entity incurs in connection with the borrowing of funds.

(g) Leases – as a lessor

Leases in which the entity does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging 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.

4. FINANCIAL INFORMATION (Cont'd)

(h) Revenue

(i) Rental Income

Recognition of rental income is described in Section 4.4.4(g) "Leases – as a lessor" of this Prospectus.

(ii) Car park income

Revenue from car park operations is recognised as and when services are rendered.

(iii) Interest income

Interest income is recognised on an accrual basis using the EIR method.

(i) Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of Paradigm REIT after deducting all of its liabilities.

Equity instruments are recorded at the proceeds received, net of directly attributable incremental transaction costs. Income distributions are deducted from equity in the period in which they are authorised.

(j) Fair value measurement

Paradigm REIT measures investment properties at fair value at each reporting date.

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.

Paradigm REIT uses valuation techniques that are appropriate 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.

All investment properties for which fair value is measured or disclosed in the financial statements are categorised as Level 3 within the fair value hierarchy, where valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

As investment properties are recognised in the financial statements on a recurring basis, Paradigm REIT determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of investment properties. Involvement of external valuers is decided upon annually by the senior management of the Manager. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Senior management of the Manager decides, after discussions with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the senior management of the Manager analyses the movements in the values of investment properties which are required to be re-measured or re-assessed as per Paradigm REIT's accounting policies. For this analysis, senior management of the Manager verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

4. FINANCIAL INFORMATION (Cont'd)

Senior management of the Manager, in conjunction with the external valuers, also compares each of the changes in the fair value of each investment property with relevant external sources to determine whether the change is reasonable.

4.4.5 Components of the Pro Forma Statement of Comprehensive Income

4.4.5.1 Total Revenue

Paradigm REIT's Total Revenue primarily consists of Rental Income, car park income, advertising and promotional income as well as other income earned from the Subject Properties.

Rental Income

Rental Income primarily consists of base rent, others and percentage rent income.

Base rent, others and percentage rent income

Rental Income of each tenant consists of:

- (i) in relation to Paradigm Mall PJ and Paradigm Mall JB:
 - “base rent”, being rental income (inclusive of service charges and promotional charges) and straight-lining adjustments on rent-free period and staggered rent over the lease term in accordance with MFRS 16* derived from Occupied NLA;
 - “others”, being income derived from storage rental and external signage, rebates (if any), amortisation of fit-out contributions and straight-lining adjustments on rental rebates over the lease term in accordance with MFRS 16*; and/or
 - “percentage rent”, which is generally calculated by reference to a pre-determined percentage of the tenant's gross turnover. In some cases, percentage rent may be subject to certain thresholds before it is payable, and the applicable percentage may vary with the turnover achieved; and
- (ii) in relation to Bukit Tinggi Shopping Centre:
 - “base rent”, being master lease income derived from Bukit Tinggi Shopping Centre and straight-lining adjustments on staggered rent over the lease term in accordance with MFRS 16*; and
 - “others”, being income derived from storage rentals, rebates and straight-lining adjustments on rental rebates over the lease term in accordance with MFRS 16*.

Note:

- * Under MFRS 16, the straight-lining adjustment of rental income requires the recognition of lease income on a straight-line basis over the lease term, regardless of variations in actual payment schedule. The straight-lining adjustment on rent-free period, staggered rent, fit-out contributions and rental rebate distributes the financial impacts evenly across the lease term to accurately reflect the economic benefits derived from the lease.

4. FINANCIAL INFORMATION (Cont'd)

Save for Bukit Tinggi Shopping Centre which is master leased to AEON, Paradigm REIT's tenancies are generally committed to 1 to 3 years which are in line with the usual market practice in Malaysia for similar retail malls. Most of the tenants for Paradigm Mall PJ and Paradigm Mall JB have a provision in their tenancies for the payment of base rent (including service charges and promotional charges) or percentage rent, whichever is higher. Percentage rent is typically calculated based on the tenant's gross turnover and computed upon receipt of monthly sales statements from tenants from the previous month. In addition, tenants are required to deliver their gross sales statements for each year, which is audited and certified without qualification by a firm of independent licensed auditors.

Bukit Tinggi Shopping Centre is under a master lease arrangement which expires on 23 November 2029 with an option to renew upon expiry of the lease for an additional 3 years. The Rental Income of Paradigm REIT may be affected if AEON chooses not to renew the master lease when it expires on 23 November 2029.

The following table sets out the base rent, others and percentage rent of the Subject Properties for the FYE 2022, FYE 2023 and FYE 2024:

Subject Properties	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Bukit Tinggi Shopping Centre			
Base rent	36,060	36,325	38,637
Others	52	229	424
Percentage rent	-	-	-
	<u>36,112</u>	<u>36,554</u>	<u>39,061</u>
Paradigm Mall PJ			
Base rent	40,404	42,173	44,406
Others	(5,615)	307	1,160
Percentage rent	4,000	3,356	2,686
	<u>38,789</u>	<u>45,836</u>	<u>48,252</u>
Paradigm Mall JB			
Base rent	60,998	68,682	83,735
Others	(7,241)	(480)	(117)
Percentage rent	7,573	9,240	11,465
	<u>61,330</u>	<u>77,442</u>	<u>95,083</u>
Total Rental Income	<u>136,231</u>	<u>159,832</u>	<u>182,396</u>

Car park income

Car park income includes casual parking income (which includes both normal and premium car parks), season parking income and motorcycle parking income. The car park income is dependent on the car park rates and utilisation rates of the car parks. All the car parks are managed by Paradigm REIT.

Advertising and promotional income

Advertising and promotional income includes rental of promotional space, push carts, vending machines, and rental of advertisement spaces located at prominent locations around the Subject Properties such as outdoor digital displays, external billboards, standees, pillar wraps, wall advertisement, escalators and boomgates.

4. FINANCIAL INFORMATION (Cont'd)

Other income

Other income includes interest income from rental arrears, forfeiture of deposits, fit-out fee and car park clamping fees.

The following table sets out information on the Total Revenue, Average Occupied NLA and average monthly rental rate by Subject Properties for the FYE 2022, FYE 2023 and FYE 2024 respectively:

Total Revenue by Subject Properties

Subject Properties	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000
Bukit Tinggi Shopping Centre			
Rental Income	36,112	36,554	39,061
Car park income	5,908	7,120	7,668
Advertising and promotional income	-	70	82
Other income	258	426	185
	<u>42,278</u>	<u>44,170</u>	<u>46,996</u>
Paradigm Mall PJ			
Rental Income	38,789	45,836	48,252
Car park income	5,539	6,661	7,463
Advertising and promotional income	991	1,866	2,692
Other income	592	960	655
	<u>45,911</u>	<u>55,323</u>	<u>59,062</u>
Paradigm Mall JB			
Rental Income	61,330	77,442	95,083
Car park income	6,560	8,475	9,462
Advertising and promotional income	2,595	4,343	7,925
Other income	2,957 ⁽¹⁾	422	213
	<u>73,442</u>	<u>90,682</u>	<u>112,683</u>
Total Revenue	<u>161,631</u>	<u>190,175</u>	<u>218,741</u>

Note:

- (1) The other income of approximately RM3.0 million recorded for the FYE 2022 was mainly due to one-off forfeiture income of an anchor lease in Paradigm Mall JB in the FYE 2022 amounting to RM2.4 million.

Average Occupied NLA⁽¹⁾

Subject Properties	FYE 2022 '000 sq ft	FYE 2023 '000 sq ft	FYE 2024 '000 sq ft
Bukit Tinggi Shopping Centre*	1,000.9	1,000.9	1,000.9
Paradigm Mall PJ	655.1	652.5	662.7
Paradigm Mall JB	1,131.9	1,205.3	1,261.9
Total Average Occupied NLA	<u>2,787.9</u>	<u>2,858.7</u>	<u>2,925.5</u>

Notes:

* Based on the GLA of Bukit Tinggi Shopping Centre (excluding ancillary area).

- (1) Average Occupied NLA is derived based on the monthly Occupied NLA of each of the Subject Properties.

4. FINANCIAL INFORMATION (Cont'd)

Average monthly rental rate⁽¹⁾

Subject Properties	FYE 2022 RM per sq ft	FYE 2023 RM per sq ft	FYE 2024 RM per sq ft
Bukit Tinggi Shopping Centre	3.00	3.02	3.22
Paradigm Mall PJ	5.14	5.39	5.58
Paradigm Mall JB	4.49	4.75	5.53
Total aggregated average monthly rental rate	12.63	13.16	14.33

Note:

(1) Average monthly rental rate is calculated based on base rent over the Average Occupied NLA.

4.4.5.2 Occupancy trends

The following table sets out the Average Occupancy Rate of the Subject Properties for the FYE 2022, FYE 2023 and FYE 2024:

Subject Properties	FYE 2022 %	FYE 2023 %	FYE 2024 %
Bukit Tinggi Shopping Centre ⁽¹⁾	100.0	100.0	100.0
Paradigm Mall PJ	97.2	97.1	97.8
Paradigm Mall JB	87.9	93.8	97.9
Total⁽²⁾	95.0	97.0	98.6

Notes:

(1) Bukit Tinggi Shopping Centre (excluding ancillary area) is leased to AEON as master lessee.

(2) Computed based the average of the individual Average Occupancy Rate of the Subject Properties.

4.4.6 Components of Property Operating Expenses

Property Operating Expenses include utilities, property management fee and reimbursable, maintenance expenses, quit rent and assessment and other operating expenses.

Property Operating Expenses relating to the interior of Bukit Tinggi Shopping Centre, utilities and insurance covering fire, plate glass and public liability will be borne by AEON while Paradigm REIT will bear expenses relating to, among others, the repairs and maintenance for the building structure, car park and exterior of Bukit Tinggi Shopping Centre, insurance for covering fire and perils, fire consequential loss, machinery breakdown, burglary, plate glass and public liability for Bukit Tinggi Shopping Centre, and quit rent and assessment levied by the local Government and State Authority where Bukit Tinggi Shopping Centre is located.

On a pro forma basis, property management fee and reimbursable also form part of the Property Operating Expenses.

Property Operating Expenses	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000
Utilities			
Electricity charges	16,282	20,687	16,709
Water charges	1,528	1,509	1,564
	17,810	22,196	18,273
Property management fee and reimbursable	11,876	14,117	14,239

4. FINANCIAL INFORMATION (Cont'd)

	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Property Operating Expenses			
Maintenance expenses			
Repair and maintenance	9,494	9,847	10,597
Cleaning charges	5,928	7,614	7,876
	<u>15,422</u>	<u>17,461</u>	<u>18,473</u>
Quit rent and assessment	4,723	5,753	5,787
Other operating expenses			
Security charges	4,175	6,375	6,481
Marketing and promotion expenses	4,670	6,603	4,519
Insurance	1,136	1,126	1,175
Miscellaneous expenses	(3,674) ⁽¹⁾	(170) ⁽¹⁾	2,570
	<u>6,307</u>	<u>13,934</u>	<u>14,745</u>
Total Property Operating Expense	<u>56,138</u>	<u>73,461</u>	<u>71,517</u>

Note:

- (1) The miscellaneous expenses are in credit balances for the FYE 2022 and FYE 2023 primarily due to reversal of ECLs of RM6.4 million and RM1.9 million, respectively on the back of gradual recovery after the COVID-19 pandemic.

Utilities

The utilities incurred in the operation of the Subject Properties include electricity charges as well as water charges.

Subject Properties	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Bukit Tinggi Shopping Centre	53	290	19
Paradigm Mall PJ	6,380	7,533	5,569
Paradigm Mall JB	11,377	14,373	12,685
	<u>17,810</u>	<u>22,196</u>	<u>18,273</u>

Property management fee and reimbursable

In arriving at the Pro Forma Statement of Comprehensive Income, it is assumed that property management fee is based on the fixed rate of RM25,000 per month as set out in the Property Management Agreement.

Property management reimbursable is the full reimbursement of costs and expenses incurred in the operation, maintenance, management and marketing of the Subject Properties (including but not limited to the cost relating to the employment and remuneration of staff provided).

Subject Properties	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Bukit Tinggi Shopping Centre	3,314	3,939	3,973
Paradigm Mall PJ	2,924	3,476	3,506
Paradigm Mall JB	5,638	6,702	6,760
	<u>11,876</u>	<u>14,117</u>	<u>14,239</u>

4. FINANCIAL INFORMATION (Cont'd)

Maintenance expenses

Save for Bukit Tinggi Shopping Centre which is master leased to AEON, Paradigm REIT's maintenance expenses for Paradigm Mall PJ and Paradigm Mall JB are mainly mechanical and electrical and general repairs and maintenance, which covers lifts and escalators, AC, building automation system, fire protection system, security systems, building works, plumbing and drainage, landscaping cost, car park systems, pre-treatment plant, grease traps, sewerage as well as the cleaning and housekeeping of Paradigm Mall PJ and Paradigm Mall JB.

As for Bukit Tinggi Shopping Centre, Paradigm REIT's maintenance expenses comprise general building and car park repair and maintenance works as well as cleaning and housekeeping of the car park and exterior of Bukit Tinggi Shopping Centre.

Subject Properties	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Bukit Tinggi Shopping Centre	1,583	1,086	994
Paradigm Mall PJ	5,673	6,041	6,201
Paradigm Mall JB	8,166	10,334	11,278
	15,422	17,461	18,473

Quit rent and assessment

Quit rent is an amount prescribed by and payable to the State Authority. Assessment is calculated based on a rate as prescribed by the local authorities, on the annual value of the Subject Properties as assessed by the relevant local authorities. The actual amounts of quit rent and assessment paid with respect to the Subject Properties are included in the Pro Forma Statement of Comprehensive Income.

Subject Properties	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Bukit Tinggi Shopping Centre	1,341	1,332	1,332
Paradigm Mall PJ	1,981	2,692	2,692
Paradigm Mall JB	1,401	1,729	1,763
	4,723	5,753	5,787

Other operating expenses

The other operating expenses for the Subject Properties include mainly security charges, marketing and promotion expenses, insurance and miscellaneous expenses.

- (i) *Security charges* – Security charges relate to expenses incurred for the hiring of security personnel and security services for the Subject Properties. In respect of Bukit Tinggi Shopping Centre, the security services are for the security personnel stationed at the car park of Bukit Tinggi Shopping Centre.
- (ii) *Marketing and promotion expenses* – Marketing and promotion expenses usually comprise advertisement setup costs, marketing collaterals, decoration costs, signage printing cost, WCT buddy points issuance costs in relation to usage of the buddy mobile application, namely "WCT Buddy 2.0", and other expenses relating to the promotional activities and marketing campaigns for festive events.
- (iii) *Insurance* – In respect of Paradigm Mall PJ and Paradigm Mall JB, insurance premiums are payable for coverage which includes (i) fire plus; (ii) fire consequential loss; (iii) plate glass; (iv) burglary; (v) machinery breakdown; (vi) public liability; (vii) employer liability; (viii) equipment all risks; and (ix) all risks. In respect of Bukit Tinggi Shopping Centre, the insurance premiums are payable for the coverage which includes (i) fire and perils; (ii) fire consequential loss; (iii) machinery breakdown; (iv) burglary; (v) plate glass; and (vi) public liability.

4. FINANCIAL INFORMATION (Cont'd)

- (iv) *Miscellaneous expenses* – Miscellaneous expenses typically include telecommunications expenses, transport and travel expenses, printing and stationery, licence fees, entertainment, legal charges, reversal of and allowance for ECLs and other miscellaneous expenses.

Subject Properties	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Bukit Tinggi Shopping Centre	1,908	1,427	1,466
Paradigm Mall PJ	2,296	4,085	5,671
Paradigm Mall JB	2,103	8,422	7,608
	6,307	13,934	14,745

4.4.7 NPI trends

The following table sets out information on the NPI of the Subject Properties for the FYE 2022, FYE 2023 and FYE 2024 respectively:

Subject Properties	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Bukit Tinggi Shopping Centre	34,080	36,097	39,212
Paradigm Mall PJ	26,656	31,496	35,424
Paradigm Mall JB	44,757	49,121	72,588
	105,493	116,714	147,224

4.4.8 Components of Non-Property Expenses

The non-property expenses consist of Management Fees, Trustee's fee and other trust expenses.

Non-Property Expenses	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Management Fees	10,592	10,928	11,844
Trustee's fee	516	516	516
Other trust expenses	1,190	1,242	1,296
	12,298	12,686	13,656

Management Fees

Pursuant to the Deed, the Manager is entitled to receive the following fees from Paradigm REIT, in the form of cash, new Units or a combination of cash and new Units (as it may decide at its sole discretion):

- (i) an annual base fee of up to 1.0% per annum of the Total Asset Value of Paradigm REIT;
- (ii) an annual performance fee of up to 5.0% per annum of Paradigm REIT's NPI in the relevant financial year;
- (iii) an acquisition fee of 1.0% of the acquisition price; and
- (iv) a divestment fee of 0.5% of the transaction value,

as set out in Section 6.6 "Management Fees" of this Prospectus.

4. FINANCIAL INFORMATION (Cont'd)

In arriving at the Pro Forma Statement of Comprehensive Income, it is assumed that the Manager charged a base fee of approximately 0.3% per annum of the Total Asset Value of Paradigm REIT and annual performance fee of approximately 3.0% per annum of Paradigm REIT's NPI.

Trustee's fee

Pursuant to the Deed, the annual Trustee's fee is assumed and calculated based on 0.03% of the NAV of Paradigm REIT for the financial years presented, as set out in Section 8.5 "Trustee's Fee" of this Prospectus.

Other trust expenses

The other trust expenses primarily comprise annual audit fees, tax agent fees, valuation fees, secretarial fee, consultancy fee, professional fee, market research fees, public relation expenses and other expenses relating to the preparation and distribution of reports to Unitholders, together with other miscellaneous expenses such as postage, printing and stationery.

4.4.9 Results of operations for the FYE 2024 compared to results of operations for the FYE 2023

Total Revenue

Total Revenue increased by RM28.5 million to RM218.7 million for the FYE 2024 from RM190.2 million for the FYE 2023, primarily due to the following reasons:

- (i) increase in Rental Income of RM22.6 million, of which RM17.6 million is attributable to Paradigm Mall JB driven by bulk renewals towards the end of FYE 2023 at higher base rent as well as higher percentage rent due to higher tenants' sales. Successful renewals of existing tenants and securing of new leases in Paradigm Mall PJ also contributed to the increase in Rental Income of RM2.4 million. The increase in Rental Income from Bukit Tinggi Shopping Centre of RM2.5 million was mainly due to higher rental rate per sq ft effective from 24 November 2023 accrued from AEON;
- (ii) increase in car park income of RM2.3 million, of which RM1.0 million is attributable to Paradigm Mall JB, RM0.8 million to Paradigm Mall PJ and RM0.5 million to Bukit Tinggi Shopping Centre. The increase is mainly due to higher visitation, increase in season pass applications, implementation of motorcycle parking fee since April, May and June 2024 at Paradigm Mall JB, Bukit Tinggi Shopping Centre and Paradigm Mall PJ respectively, and implementation of premium parking fee at Paradigm Mall JB since August 2024; and
- (iii) increase in advertising and promotional income of RM3.6 million and RM0.8 million, attributable to Paradigm Mall JB and Paradigm Mall PJ respectively due to greater demand for advertisement spaces and promotion booths.

The increase in Total Revenue was offset by the decrease in other income of RM0.8 million mainly due to one-off non-recurring back charge of repair costs of a retail lot in the FYE 2023.

Property Operating Expenses

Property Operating Expenses decreased by RM1.9 million to RM71.5 million for the FYE 2024 from RM73.5 million for the FYE 2023, mainly due to the following reasons:

- (i) *utilities* – decrease in electricity charges of RM4.0 million due to energy saving initiatives such as installation of inverter AC units, optimal usage of chiller depending on the shopper load and successful applications with Tenaga Nasional Berhad ("TNB") for off-peak tariff rider at Paradigm Mall JB and Paradigm Mall PJ; and
- (ii) *other operating expenses* – decrease in marketing and promotion expenses of RM2.1 million due to greater sponsorship for events during festive seasons.

4. FINANCIAL INFORMATION (Cont'd)

The decrease was offset by the following:

- (i) *other operating expenses* – increase in allowance for ECLs of RM2.6 million due to the absence of reversal of ECLs recorded in the FYE 2023 following the recovery from the COVID-19 pandemic;
- (ii) *property management fee and reimbursable* – increase in property management reimbursable of RM0.1 million in line with the increase in business activities; and
- (iii) *maintenance expenses* – increase in repair and maintenance of RM1.0 million, mainly to upkeep the equipment and building and increase in cleaning charges of RM0.3 million due to increase in number of cleaners stationed at the Subject Properties.

NPI

As a result of the factors discussed above, Paradigm REIT recorded an NPI of RM147.2 million for the FYE 2024, which represented an increase of RM30.5 million from NPI of RM116.7 million for the FYE 2023.

Management Fees

Management Fees increased by RM0.9 million to RM11.8 million for the FYE 2024 from RM10.9 million for the FYE 2023 in line with the increase in NPI.

Trustee's fee

Trustee's fee remained stable for the FYE 2023 and the FYE 2024 at RM0.5 million.

Other trust expenses

Other trust expenses increased by RM0.1 million to RM1.3 million for the FYE 2024 from RM1.2 million for the FYE 2023.

Finance costs

Finance costs increased by RM0.3 million to RM36.9 million for the FYE 2024 from RM36.6 million for the FYE 2023 due to unwinding of discount on tenants' deposits payable.

Profit before tax

As a result of the factors discussed above, Paradigm REIT recorded a profit before taxation of RM97.7 million for the FYE 2024 as compared to a profit before taxation of RM68.4 million for the FYE 2023.

Distributable Income

After adjusting for the non-cash items, Paradigm REIT recorded a Distributable Income of RM99.4 million for the FYE 2024, which increased by RM29.4 million from the Distributable Income of RM70.0 million for the FYE 2023.

4.4.10 Results of operations for the FYE 2023 compared to results of operations for the FYE 2022

Total Revenue

Total Revenue increased by RM28.5 million to RM190.2 million for the FYE 2023 from RM161.6 million for the FYE 2022, primarily due to the following reasons:

- (i) increase in Rental Income of RM23.6 million, primarily attributable to reduction of rental rebates amounting to RM6.5 million for Paradigm Mall JB and RM5.8 million for Paradigm Mall PJ as well as the increase in base rent, others (excluding rental rebates) and percentage rent amounting to RM9.5 million for Paradigm Mall JB and RM1.2 million for Paradigm Mall PJ;

4. FINANCIAL INFORMATION (Cont'd)

- (ii) increase in car park income of RM4.2 million, of which RM1.9 million is attributable to Paradigm Mall JB, RM1.2 million to Bukit Tinggi Shopping Centre and RM1.1 million to Paradigm Mall PJ. The increase is due to higher visitation and increase in car park rates in the FYE 2023; and
- (iii) increase in advertising and promotional income of RM2.7 million, of which RM1.7 million is attributable to Paradigm Mall JB and RM0.9 million to Paradigm Mall PJ. This is due to greater demand for advertisement spaces and promotion booths.

The increase in Total Revenue was offset by the decrease in other income of RM2.0 million, mainly due to the absence of one-off forfeiture income of an anchor lease in Paradigm Mall JB in the FYE 2023.

Property Operating Expenses

Property Operating Expenses increased by RM17.3 million to RM73.5 million for the FYE 2023 from RM56.1 million for the FYE 2022, primarily due to:

- (i) *other operating expenses* – increase in allowance for ECLs of RM4.4 million due to lower reversal of ECLs in the FYE 2023 following the recovery from the COVID-19 pandemic. The security charges have increased by RM2.2 million due to the increase in contract value while the marketing and promotion expenses have increased by RM1.9 million as part of the initiatives at Paradigm Mall JB to attract Singaporean shoppers post COVID-19 pandemic;
- (ii) *utilities* – increase in electricity charges of RM4.4 million due to increase in electricity tariff rate and usage as a result of higher footfall at Paradigm Mall PJ and Paradigm Mall JB;
- (iii) *property management fee and reimbursable* – increase in property management reimbursable of RM2.2 million in line with the increase in business activities;
- (iv) *maintenance expenses* – increase in cleaning charges of RM1.7 million is due to the increase in minimum wages causing increase in contract value; and
- (v) *quit rent and assessment* – increase in quit rent of RM0.7 million for Paradigm Mall PJ based on gross floor area instead of land area following the subdivision of master title to strata title.

NPI

As a result of the factors discussed above, Paradigm REIT recorded an NPI of RM116.7 million for the FYE 2023, which represented an increase of RM11.2 million from NPI of RM105.5 million for the FYE 2022.

Management Fees

Management Fees increased by RM0.3 million to RM10.9 million for the FYE 2023 from RM10.6 million for the FYE 2022 in line with the increase in NPI.

Trustee's fee

Trustee's fee remained stable for the FYE 2022 and the FYE 2023 at RM0.5 million.

Other trust expenses

Other trust expenses remained stable from the FYE 2022 to the FYE 2023 at RM1.2 million.

Finance costs

Finance costs decreased by RM0.8 million to RM36.6 million for the FYE 2023 from RM37.4 million for the FYE 2022 due to unwinding of discount on tenants' deposits payable.

4. FINANCIAL INFORMATION (Cont'd)

Profit before tax

As a result of the factors discussed above, Paradigm REIT recorded a profit before taxation of RM68.4 million for the FYE 2023 as compared to a profit before taxation of RM56.7 million for the FYE 2022.

Distributable Income

After adjusting for the non-cash items, Paradigm REIT recorded a Distributable Income of RM70.0 million for the FYE 2023, which increased by RM12.2 million from the Distributable Income of RM57.8 million for the FYE 2022.

4.4.11 Liquidity and capital resources

The Manager is of the opinion that Paradigm REIT's working capital would be sufficient for its present requirements as Rental Income (excluding percentage rent) is received in advance monthly and generally, tenants are required to provide a security deposit of at least 3 months of their monthly rental payable.

Upon listing, Paradigm REIT is expected to have RM38.6 million in cash to fund working capital and unanticipated cash needs.

The Manager anticipates that Paradigm REIT's primary uses of cash would be to fund day-to-day operations, trust expenses, servicing of debt, repair and maintenance as well as other property related costs, distributions, AEI and future property acquisitions. Funding of the foregoing would come from a combination of cash from operations and borrowings. Upon Listing, Paradigm REIT's expected gearing over its Total Asset Value will be approximately 34.0% while the regulated maximum gearing under the REIT Guidelines is 50.0% of its Total Asset Value at the time of borrowing.

4.4.12 Capital expenditures

Save for the major expansion and renovation of the Subject Properties to be carried out and completed by the respective Vendors as set out in Section 2.2.5 "Major expansion and renovation of Bukit Tinggi Shopping Centre", Section 2.3.7 "Major expansion and renovation of Paradigm Mall PJ" and Section 2.4.7 "Major expansion and renovation of Paradigm Mall JB" of this Prospectus, the Manager does not envisage any major capital expenditure to be incurred during the Forecast Period 2025.

4.4.13 Changes in Accounting Policies

There were no changes to the accounting policies of the Vendors. The Pro Forma Statement of Comprehensive Income has been compiled based on the Vendors' audited financial statements for the FYE 2022 and FYE 2023 and FYE 2024. The Pro Forma Statement of Comprehensive Income has been prepared in a manner consistent with the format and the accounting policies to be adopted by Paradigm REIT as set out in Section 4.4.4 "Material accounting policies" of this Prospectus.

4. FINANCIAL INFORMATION (Cont'd)

4.5 PROFIT FORECAST

Statements contained in this “Profit Forecast” Section that are not historical facts may be forward-looking statements. Such statements are based on the assumptions set forth in this Section of this Prospectus and are subject to certain risks and uncertainties which could cause actual results to differ materially from those estimates. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction by any of Paradigm REIT, the Manager, the Sponsor, the Vendors, the Trustee, the Principal Adviser, the Joint Bookrunners, the Joint Underwriters or any other person that the underlying assumptions will materialise, or that these results will be achieved or are likely to be achieved. See the Section on “Forward-looking Statements” and Section 5 “Risk Factors” of this Prospectus for further details. Investors in the Units are cautioned not to place undue reliance on these forward-looking statements which are made only as at the date of this Prospectus.

None of Paradigm REIT, the Manager, the Sponsor, the Vendors, the Trustee, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters guarantees the performance of Paradigm REIT, the repayment of capital or the payment of any distributions, or any particular return on the Units. The forecast yield stated in the following table is calculated based on the Retail Price of RM1.00 per Unit.

Such yields will vary accordingly based on the actual Listing Date, or for investors who purchase Units at a price that differs from the Retail Price.

Investors are cautioned that rental yield on the Subject Properties to be held by Paradigm REIT is not equivalent to the yield of the Units. Investors are cautioned that they will not get the full amount of the distribution per Unit as illustrated in the Profit Forecast. Current rental receipts and yields may not be sustained. The values of the Subject Properties may rise as well as fall.

The following table shows Paradigm REIT’s Profit Forecast for the Forecast Period 2025. The financial year end of Paradigm REIT is 31 December. The Profit Forecast has been prepared assuming that the first financial period is the financial period ending 31 December 2025 and the date of establishment of Paradigm REIT of 13 March 2025 and that the Acquisitions had been completed on 13 March 2025. The actual NPI for the financial period ending 31 December 2025 and the resultant distribution yield would be dependent on the rentals of the Subject Properties accruing to Paradigm REIT effective from the Listing Date. The Profit Forecast is based on the assumptions set out below and have been examined by the Reporting Accountants and should be read together with the “Reporting Accountants’ Letter on the Profit Forecast” set out in Appendix E of this Prospectus, as well as the assumptions set out in this Section of this Prospectus.

4. FINANCIAL INFORMATION (Cont'd)

Profit Forecast

	Forecast Period 2025
	RM'000
Total revenue ⁽¹⁾	187,464
Property Operating Expenses	(57,863)
Other income	344
NPI	129,945
Interest income	809
Change in fair value of investment properties	-
Net investment income	130,754
Non-property expenses	(11,147)
Finance costs	(30,295)
Profit before taxation	89,312
Taxation	-
Net profit for the financial period, representing total comprehensive income for the financial period attributable to Unitholders	89,312
Non-cash items	3,130
Distributable Income	92,442
Number of Units in issue ('000) ⁽²⁾	1,602,470
Distribution rate (%)	100
Distribution cover (times)	1.00
DPU (sen)	5.77 ⁽⁴⁾
Retail Price (RM/Unit)	1.00
Distribution yield on Retail Price (%)⁽³⁾	5.77⁽⁴⁾

Notes:

- (1) *Comprises Rental Income, car park income and advertising and promotional income earned from the Subject Properties.*
- (2) *Total number of Units in issue includes the assumed Units issued to the Manager (as stated in Section 4.5.3.8 "Non-cash items" of this Prospectus) at an assumed issue price of RM1.00 per Unit.*
- (3) *Distribution yield is calculated based on the assumption that the Listing Date is on 13 March 2025 and issue price per Unit is RM1.00. The distribution yield will vary accordingly based on the actual Listing Date and issue price per Unit.*
- (4) *Annualised DPU and distribution yield on the Retail Price are 7.16 sen and 7.16% respectively. Annualised DPU is calculated by multiplying the DPU for the 294-days Forecast Period 2025 of 5.77 sen by a factor of 365 / 294.*

4. FINANCIAL INFORMATION (Cont'd)

Forecasted Total Revenue and NPI

The following sets out the forecasted total revenue and NPI for each of the Subject Properties for the Forecast Period 2025:

Subject Properties	Forecast Period 2025	
	Total Revenue ⁽¹⁾	NPI
	RM'000	RM'000
Bukit Tinggi Shopping Centre	37,962	31,785
Paradigm Mall PJ	51,436	31,783
Paradigm Mall JB	98,066	66,377
Total	187,464	129,945

Note:

(1) Comprises Rental Income, car park income and advertising and promotional income earned from the Subject Properties.

4.5.1 Directors' analysis and commentary

The Directors confirm that the Profit Forecast of Paradigm REIT and the underlying bases and assumptions stated herein have been reviewed by the Directors. After due and careful enquiries, with the Directors taking into account the future prospects of the industry, the future plans and strategies of Paradigm REIT (as set out in Section 1.3 "Strategies" of this Prospectus) and its level of gearing, liquidity and working capital requirements, the Directors are of the opinion that the Profit Forecast of Paradigm REIT is achievable and the assumptions made are reasonable at the time of issue of this Prospectus, barring unforeseen circumstances.

Nevertheless, the bases and assumptions are inherently subject to significant business, economic and competitive uncertainties and contingencies, which are beyond the Manager's control. Therefore, future events, regionally and globally, may have a material impact on the actual results of Paradigm REIT during the Forecast Period 2025.

4.5.2 Bases and assumptions

The Profit Forecast has been prepared for illustrative purposes, on the bases and accounting principles consistent with those to be adopted in the preparation of the financial statements of Paradigm REIT. The financial year end of Paradigm REIT is 31 December. The Profit Forecast has been prepared on the assumption that the Acquisitions had been completed on 13 March 2025 and that Paradigm REIT is established and had commenced operation 13 March 2025, of which the financial statements will be prepared for a period of less than 12 months for the financial period ending 31 December 2025. The actual revenue to be recorded by Paradigm REIT shall commence on the Listing Date. The Manager has prepared the Profit Forecast on the following bases and assumptions. The Manager considers these bases and assumptions to be appropriate and reasonable as at the date of this Prospectus. However, investors should consider these bases and assumptions as well as the Profit Forecast and make their own assessment of the future performance of Paradigm REIT.

4.5.3.1 Total Revenue

Total Revenue of Paradigm REIT comprises the following:

Forecast Period 2025	Forecast Period 2025
	RM'000
Rental Income	
Base rent and others	144,849
Percentage rent	11,618
Advertising and promotional income	9,783
Car park income	21,214
	187,464

4. FINANCIAL INFORMATION (Cont'd)

Base rent and others

Base rent and others mainly comprise rental income derived from leasing of commercial lots, storage rental and external signage (including the effects of amortisation of fit-out contributions and straight-lining adjustments on rent-free period, staggered rent and rental rebates over the lease term in accordance with MFRS 16) of the respective Subject Properties. For the avoidance of doubt, rental income in respect of unexpired tenancy period of existing tenancy agreements is based on rental rates stipulated in respective tenancy agreements.

Subject Properties	Forecast Period 2025
	RM'000
Bukit Tinggi Shopping Centre	31,472
Paradigm Mall JB	73,074
Paradigm Mall PJ	40,303
	144,849

(i) Bukit Tinggi Shopping Centre

Base rent and others of Bukit Tinggi Shopping Centre are derived from the unexpired tenancy agreement with a third party, AEON, as at 13 March 2025 with a total GLA of 1,000,950 sq ft and straight-lining adjustments on staggered rent over the lease term in accordance with MFRS 16. The tenancy agreement will expire on 23 November 2029, with an option to renew for a further 3 years.

(ii) Paradigm Mall JB

The following is assumed in arriving at the forecasted base rent and others for Paradigm Mall JB for the Forecast Period 2025.

The lease expiry profile of Paradigm Mall JB in relation to Paradigm Mall JB's NLA as at 13 March 2025 and forecasted base rent (excluding straight-lining adjustments on rent-free period and staggered rent over the lease term) for the Forecast Period 2025 are as follows:

	Percentage of NLA	Percentage of Forecasted Base Rent
	%	%
Existing tenancy agreements expiring		
On or after 1 January 2026	83.0	76.0
During the Forecast Period 2025	12.5	19.7 ⁽¹⁾
Tenancy agreements executed, but pending rent commencement	3.3	3.3 ⁽²⁾
Tenancy agreements not executed, but in negotiations with potential tenants	0.2	0.3 ⁽³⁾
Lettable areas with no tenants secured	0.9	0.7 ⁽⁴⁾
Vacant lots	0.1	-
	100.0	100.0

Notes:

- (1) For the tenancy agreements expiring in the Forecast Period 2025, it is assumed that the NLA which has yet to be renewed is either assumed to be renewed or occupied by new tenants (with tenancy periods ranging between 1 to 3 years).
- (2) Forecasted based on rental rates stated in the executed tenancy agreements.
- (3) Forecasted based on rental rates proposed by potential tenants and where applicable, forecasted based on rental rates stated in the tenancy agreements or letters of offer executed subsequent to 13 March 2025.

4. FINANCIAL INFORMATION (Cont'd)

- (4) Represent retail lots previously tenanted for which new tenants have yet to be secured. Rental rates are forecasted based on the average rental rate per sq ft ("**psf**") of surrounding retail lots. The assumed tenancy commencement date is forecasted based on the leasing team's best estimates vis-à-vis ongoing efforts and/or stage of negotiations with potential tenants.

The expected Average Occupancy Rate for the Forecast Period 2025 for Paradigm Mall JB is assumed to be 98.9%. The Average Occupancy Rate of Paradigm Mall JB during the FYE 2024 was 97.9%.

After taking into consideration the effects on straight-lining adjustments of rent-free period and staggered rent over the lease term, the expected average base rent ("**ABR**") for the Forecast Period 2025 for Paradigm Mall JB is RM5.89 psf per month ("**psf/m**"). The actual ABR of Paradigm Mall JB during the FYE 2024 was RM5.53 psf/m.

(iii) Paradigm Mall PJ

The following is assumed in arriving at the forecasted base rent and others for PMPJ for the Forecast Period 2025.

The lease expiry profile of Paradigm Mall PJ in relation to Paradigm Mall PJ's NLA as at 13 March 2025 and forecasted base rent (excluding straight-lining adjustments on rent-free period and staggered rent over the lease term) for the Forecast Period 2025 are as follows:

	Percentage of NLA %	Percentage of Forecasted Base Rent %
Existing tenancy agreements expiring		
On or after 1 January 2026	70.4	73.1
During the Forecast Period 2025	21.7	24.3 ⁽¹⁾
Tenancy agreements executed, but pending rent commencement	1.9	1.0 ⁽²⁾
Tenancy secured but pending execution of the tenancy agreements	0.1	0.1 ⁽³⁾
Tenancy agreements not executed, but in negotiations with potential tenants	1.0	0.8 ⁽³⁾
Lettable areas with no tenants secured	0.6	0.7 ⁽⁴⁾
Indoor amusement park	4.2	-(⁽⁵⁾)
Vacant lots	0.1	-
	100.0	100.0

Notes:

- (1) For the tenancy agreements expiring in the Forecast Period 2025, it is assumed that the NLA which has yet to be renewed is either assumed to be renewed or occupied by new tenants (with tenancy periods ranging between 1 to 3 years).
- (2) Forecasted based on rental rates stated in the executed tenancy agreements.
- (3) Forecasted based on rental rates proposed by potential tenants and where applicable, forecasted based on rental rates stated in the tenancy agreements or letters of offer executed subsequent to 13 March 2025.
- (4) Represent retail lots previously tenanted for which new tenants have yet to be secured. Rental rates are forecasted based on the average rental rate psf of surrounding retail lots. The assumed tenancy commencement date is forecasted based on the leasing team's best estimates vis-à-vis ongoing efforts and/or stage of negotiations with potential tenants.
- (5) The indoor amusement park contributes to percentage rent only and therefore does not contribute to the forecasted base rent.

4. FINANCIAL INFORMATION (Cont'd)

The expected Average Occupancy Rate for the Forecast Period 2025 for Paradigm Mall PJ is assumed to be 98.1%. The Average Occupancy Rate of Paradigm Mall PJ during the FYE 2024 was 97.8%.

After taking into consideration the effects on straight-lining adjustments of rent-free period and staggered rent over the lease term, the expected ABR for Paradigm Mall PJ for the Forecast Period 2025 is RM6.16 psf/m. The actual ABR of Paradigm Mall PJ during the FYE 2024 was RM5.58 psf/m.

Percentage rent

Percentage rent is generally calculated by reference to a pre-determined percentage of the tenant's gross turnover. For the avoidance of doubt, no percentage rent is receivable from Bukit Tinggi Shopping Centre.

	Forecast Period 2025
	RM'000
Paradigm Mall JB	9,774
Paradigm Mall PJ	1,844
	11,618

The percentage rent for the Forecast Period 2025 is forecasted based on the actual percentage rent recorded during the corresponding period in the FYE 2024 after considering trends in individual tenants' sales performance and prospects observed up to February 2025, as well as the changes in proportion of the Gross Rental Income arising from tenancy renewals.

Advertising and promotional income

Advertising and promotional income is derived from rental of promotional space, push carts, vending machines, and rental of advertisement spaces located at prominent locations around the Subject Properties such as outdoor digital displays, external billboards, standees, pillar wraps, wall advertisements, escalators and boomgates.

	Forecast Period 2025
	RM'000
Bukit Tinggi Shopping Centre	92
Paradigm Mall JB	7,239
Paradigm Mall PJ	2,452
	9,783

Advertising and promotional income is generated by the Subject Properties entering into long-term advertising and promotional agreements with advertisers and ad hoc advertising and promotional income from short-term leasing of digital screens, billboards, banners and wall spaces.

Advertising and promotional income derived from long-term advertising and promotional agreements is forecasted based on monthly advertising and promotional rates stipulated in the advertising and promotional agreements.

4. FINANCIAL INFORMATION (Cont'd)

Car park income

Car park income comprises mainly casual parking income (which includes both normal and premium car parks), season parking income and motorcycle parking income.

	Forecast Period 2025
	RM'000
Bukit Tinggi Shopping Centre	6,398
Paradigm Mall JB	7,980
Paradigm Mall PJ	6,836
	21,214

The car park income for the Forecast Period 2025 is forecasted to increase based on the actual car park income recorded during the corresponding period in the FYE 2024, taking into account the contribution from premium parking income from Paradigm Mall JB which commenced in August 2024 and motorcycle parking income which commenced in April, May and June 2024 at Paradigm Mall JB, Bukit Tinggi Shopping Centre and Paradigm Mall PJ respectively, as well as overall improved footfall at the Subject Properties observed up to February 2025.

4.5.3.2 Property Operating Expenses

Property Operating Expenses comprise the following:

	Forecast Period 2025
	RM'000
Quit rent and assessment	5,269
Insurance	905
Repair and maintenance	9,634
Security charges	5,271
Cleaning charges	6,869
Electricity charges	12,816
Water charges	1,264
Marketing and promotion expenses	3,087
Property management fee and reimbursable	10,761
Miscellaneous expenses	1,987
	57,863

Quit rent and assessment

	Forecast Period 2025
	RM'000
Bukit Tinggi Shopping Centre	1,250
Paradigm Mall JB	1,489
Paradigm Mall PJ	2,530
	5,269

Quit rent for the Forecast Period 2025 is forecasted based on actual billings issued by the respective states' land offices in January 2025, whereas the assessment for the Forecast Period 2025 is forecasted based on the actual half-yearly billings issued by the respective municipal councils in January 2025.

4. FINANCIAL INFORMATION (Cont'd)

Insurance

	Forecast Period 2025
	RM'000
Bukit Tinggi Shopping Centre	175
Paradigm Mall JB	407
Paradigm Mall PJ	323
	905

Insurance for the Forecast Period 2025 is forecasted based on insurance premiums stipulated in the insurance policies entered into during the FYE 2024 and up to February 2025. These insurance policies cover the period from January 2025 to December 2025 and February 2025 to January 2026, except for certain insurance policies for Paradigm Mall PJ which cover the period from May 2024 to May 2025. In respect of Paradigm Mall PJ, the insurance premiums are forecasted based on insurance premiums stipulated in the existing insurance policies and the quotation received from the insurer for the renewal.

Repair and maintenance, security charges, and cleaning charges

	Bukit Tinggi Shopping Centre RM'000	Paradigm Mall JB RM'000	Paradigm Mall PJ RM'000	Total RM'000
Forecast Period 2025				
Repair and maintenance	386	4,991	4,257	9,634
Security charges	787	2,955	1,529	5,271
Cleaning charges	467	4,544	1,858	6,869
	1,640	12,490	7,644	21,774

Repair and maintenance, security charges and cleaning charges (collectively, "**Upkeep Expenses**") consist of contracted expenses and ad hoc expenses.

Contracted Upkeep Expenses for the Forecast Period 2025 are forecasted based on monthly charges as stipulated in executed agreements.

Ad hoc Upkeep Expenses for the Forecast Period 2025 are forecasted based on annual upkeep plan of the respective Subject Properties.

Electricity and water charges

	Bukit Tinggi Shopping Centre RM'000	Paradigm Mall JB RM'000	Paradigm Mall PJ RM'000	Total RM'000
Forecast Period 2025				
Electricity charges	104	8,897	3,815	12,816
Water charges	5	668	591	1,264
	109	9,565	4,406	14,080

Electricity and water charges for the Forecast Period 2025 are forecasted based on actual electricity and water charges incurred during the corresponding period in the FYE 2024, taking into account energy saving initiatives such as the installation of inverter AC units, optimisation of chillers depending on the shopper load and the successful applications to TNB for off peak tariff rider at Paradigm Mall JB and Paradigm Mall PJ (collectively, "**Electricity Savings and Reduction Measures**"). The amount of savings in electricity charges for the Forecast Period 2025 is forecasted based on the actual savings achieved through the Electricity Savings and Reduction Measures observed up to February 2025, along with the expected additional savings from the installation of solar panels in Paradigm Mall JB from February 2025 onwards.

4. FINANCIAL INFORMATION (Cont'd)

Marketing and promotion expenses

	Forecast Period 2025
	RM'000
Paradigm Mall JB	1,781
Paradigm Mall PJ	1,306
	3,087

Marketing and promotion expenses are discretionary expenses and are to be incurred on a need-to basis. These expenses are forecasted based on expenditure budgets approved by the respective boards of directors of WCTHJ and JPSB prior to the Acquisitions by Paradigm REIT.

Property management fee and reimbursable

Property management fee is payable to the Property Manager pursuant to the Property Management Agreement entered into between the Manager, the Trustee and the Property Manager. The Property Management Agreement was executed on 7 April 2025.

In addition, the Property Manager is also entitled to full imbursement of staff costs and other expenses incurred in discharging its responsibilities. It is assumed that the Property Manager is entitled to the property management fee and reimbursable of RM10.76 million for the Forecast Period 2025.

Miscellaneous expenses

Miscellaneous expenses for the Forecast Period 2025 consist mainly of allowance for ECLs and license fees.

4.5.3.3 Interest and other income

Interest income of RM0.81 million is derived from placement of idle funds in fixed deposits.

Other income of RM0.34 million consists mainly of car park clamping income and forfeiture income.

4.5.3.4 Change in fair value of investment properties

For the purposes of the Profit Forecast, the Board has assumed that the fair value of the Subject Properties will remain unchanged from acquisition date for the Forecast Period 2025. Accordingly, no fair value gain (or loss) has been included in the Profit Forecast.

4.5.3.5 Non-property expenses

Non-property expenses of Paradigm REIT comprise the following:

	Note	Forecast Period 2025
		RM'000
Management Fees		
Base fee	(i)	5,982
Performance fee	(i)	3,898
Trustee's fee	(ii)	431
Other trust expenses	(iii)	836
		11,147

(i) **Management Fees**

The Management Fees are governed by the Deed. The Manager's base fee is capped at 1.0% of Paradigm REIT's Total Asset Value, whereas the Manager's performance fee is capped at 5.0% of Paradigm REIT's NPI.

4. FINANCIAL INFORMATION (Cont'd)

To illustrate this expense for the purpose of the Profit Forecast, the Manager's base fee is assumed to be equivalent to 0.3% of Paradigm REIT's Total Asset Value, whereas the Manager's performance fee is assumed to be equivalent to be 3.0% of Paradigm REIT's NPI.

Further details on the Management Fees are set out in Section 4.5.3.8 "Non-cash items" of this Prospectus.

(ii) Trustee's fee

The Trustee's fee for the Forecast Period 2025 is forecasted based on the letter of award issued to the Trustee. The letter of engagement was executed on 22 August 2024. The Trustee's fee is assumed to be equivalent to 0.03% of Paradigm REIT's NAV.

(iii) Other trust expenses

Other trust expenses are expenses expected to be incurred by Paradigm REIT which are administrative in nature and are not directly attributable to the management and maintenance of the Subject Properties, such as auditors' remuneration, printing and stationaries, stamping and filing fees.

4.5.3.6 Finance costs

Finance costs of Paradigm REIT comprise the following:

	Note	Forecast Period 2025 RM'000
Interest expense on MTNs	(i)	30,184
Unwinding of discount on tenants' deposits payable	(ii)	111
		30,295

(i) Interest expense on MTNs

Interest expense on MTNs is forecasted based on the assumed weighted average indicative rates of 4.44% per annum based on the latest financing proposal available to the Board, and is computed based on the expected MTNs drawdown amount of RM844.00 million.

The following elements of the MTNs and the resulting interest expense are conditional upon the finalisation and execution of the MTN Programme and therefore may be subject to change:

- (a) the availability of the assumed MTN Programme limit of RM5,000.00 million;
- (b) the availability of MTNs assumed to be drawn down of RM844.00 million; and
- (c) the assumed weighted average indicative rates of 4.44% per annum.

(ii) Unwinding of discount on tenants' deposits payable

Represents the unwinding of discount on non-current tenants' deposits payable of Paradigm REIT.

4.5.3.7 Taxation

It is assumed that Paradigm REIT will distribute 100% of its total income to the Unitholders within 2 months from the close of the Forecast Period 2025, which forms the basis period for the year of assessment of Paradigm REIT and accordingly, Paradigm REIT will be exempted from income tax.

4. FINANCIAL INFORMATION (Cont'd)

4.5.3.8 Non-cash items

Non-cash items comprise the following:

	Forecast Period 2025
	RM'000
Management Fees payable in Units	
Manager's base fee ⁽¹⁾	1,495
Manager's performance fee ⁽¹⁾	975
Effects of MFRS 16 ⁽²⁾	(133)
Unwinding of discount on tenants' deposits payable ⁽³⁾	111
Allowance for ECLs ⁽⁴⁾	406
Miscellaneous non-cash items	276
	3,130

Notes:

- (1) The Board has assumed that a portion of the Management Fees will be payable in new Units at an assumed issue price of RM1.00 per Unit.
- (2) Accounting effects on straight-lining of rent-free period, staggered rent, rental rebates and fit-out contributions over the lease term in accordance with the requirements of MFRS 16.
- (3) Please refer to Section 4.5.3.6(ii) "Unwinding of discount on tenants' deposits payable" of this Prospectus for further details.
- (4) Please refer to Section 4.5.3.2 "Miscellaneous expenses" of this Prospectus for further details.

4.5.3.9 Distributable Income

It is assumed that Paradigm REIT will distribute 100% of its Distributable Income for the Forecast Period 2025.

4.5.3.10 General assumptions

In addition to assumptions disclosed elsewhere in the Profit Forecast, the following are general assumptions adopted by the Board:

- (i) there will be no significant changes in neither the prevailing economic and political (both domestic and overseas) nor property market conditions which will materially impact the activities or performance of the Subject Properties and/or Paradigm REIT;
- (ii) there will be no material changes to present legislation and Government regulations, including tax regulations and governmental guidelines/regulations which will adversely affect the Subject Properties and/or Paradigm REIT;
- (iii) there will be no major industrial disputes, both domestic and overseas, which will adversely affect the Subject Properties and/or Paradigm REIT;
- (iv) there will be no material litigations which will adversely affect the Subject Properties and/or Paradigm REIT;
- (v) credit risk of Paradigm REIT is assumed to be low, as significantly all revenue receivable by Paradigm REIT, such as Rental Income will be received within the credit term. Additionally, Paradigm REIT can legally offset any long outstanding Rental Income receivable against tenants' deposits to minimise its exposure. Accordingly, allowance for ECLs is assumed to be negligible; and
- (vi) there will be no significant changes in the terms and conditions of material agreements including but not limited to, the Deed and the Property Management Agreement.

5. RISK FACTORS

An investment in the Units involves risk. Prospective investors should rely on their own evaluation and carefully consider the following risk factors in addition to other information contained elsewhere in this Prospectus, before investing in the Units.

This Prospectus contains forward-looking statements that involve risks, uncertainties and assumptions. The actual results of Paradigm REIT could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this Prospectus. If any of the risks described in this Prospectus actually occur, Paradigm REIT's business, prospects, financial condition, results of operations and ability to make distributions could be negatively affected, the trading price of the Units could decline and investors may lose all or part of their investment.

Unless specified or quantified in the relevant risk factors set out in this Prospectus, the Manager is not in a position to quantify the financial or other implication of any of the risks described in this section. In addition, the following risk factors may not be exhaustive and additional risks and uncertainties not presently known to Paradigm REIT or the Manager, or which are currently deemed to be immaterial may become material in the future, which would have a material adverse effect on Paradigm REIT or the trading price of the Units.

As the nature of an investment in a REIT is meant to produce stable income distributions, investors should not expect to realise a significant proportion of their returns in Paradigm REIT to be in the form of capital gains.

Investors should be aware that the trading price of the Units may fluctuate. Investors should also note that they may not get back their original investment.

5.1 RISKS RELATING TO THE SUBJECT PROPERTIES

5.1.1 A substantial number of the tenancies and the master lease to AEON expire in certain years

Tenancies in respect of Paradigm Mall PJ and Paradigm Mall JB are generally for terms of 1 year to 3 years, while the master lease to AEON in respect of Bukit Tinggi Shopping Centre expires on 23 November 2029 with an option to renew upon expiry of the master lease for an additional 3 years. The table below illustrates the tenancy expiry profile of the Subject Properties for 1 April 2025 up to 31 December 2025 and each of the years from FYE 2026 to the FYE 2029 and thereafter:

Period	Percentage of Occupied NLA expiring (%)	Percentage of Gross Rental Income expiring (%)
From 1 April 2025 up to 31 December 2025	10.8	16.2
FYE 2026	29.5	35.5
FYE 2027	23.6	24.7
FYE 2028	2.0	2.1
FYE 2029 and thereafter	34.1	21.5
	100.0	100.0

5. RISK FACTORS (Cont'd)

The concentration of tenancy expiry in respect of Paradigm Mall PJ and Paradigm Mall JB in certain years heightens Paradigm REIT's exposure to the typical risks associated with tenancy expiries, including the risk of vacancies in case of non-renewal of tenancies, reduced occupancy rates and lower rental income. If the key tenants or a large number of tenants decide not to renew their tenancies upon expiry and in the event that new tenants are not secured or are secured only after a long vacancy period or at lower rental rates, the income of Paradigm REIT and distributions to Unitholders will be adversely affected. However, the Manager will have sufficient time to identify and secure new tenants before these tenancy expiries occur. In addition, the Manager is proactively varying the lease tenures of renewal of existing leases and that of new leases to spread the lease expiries.

In addition, no assurance can be given that AEON will agree to maintain existing terms and conditions of the master lease, including but not limited to rental rates. In the event AEON does not renew the master lease, Paradigm REIT may not be able to:

- (i) secure or within a reasonable period of time secure a suitable replacement master lessee for Bukit Tinggi Shopping Centre; or
- (ii) have the replacement lease being negotiated on terms that are substantially similar or comparable to that of AEON or satisfactory to Paradigm REIT,

potentially leading to a significant loss of revenue from leasing an entire retail space to a single tenant which may have a material adverse effect on Paradigm REIT's income, hence affecting the ability of Paradigm REIT to make distributions to the Unitholders.

However, should AEON decide not to renew, Paradigm REIT is well-equipped to assume management of Bukit Tinggi Shopping Centre, leveraging on the extensive expertise of the Board and key management personnel of the Manager.

AEON, being the sole tenant for the retail space at Bukit Tinggi Shopping Centre, limits the Manager's control over the sub-tenant mix and, consequently, the quality of the sub-tenants operating at Bukit Tinggi Shopping Centre. Nevertheless, Paradigm REIT's income from Bukit Tinggi Shopping Centre remains unaffected by the sales performance of AEON's sub-tenants as Paradigm REIT receives a steady and regular fixed rental income from AEON. While the Manager has limited oversight of the sub-tenants at Bukit Tinggi Shopping Centre, the fixed rental arrangement from AEON ensures a stable and predictable income stream for Paradigm REIT.

5.1.2 The Subject Properties may face increasing competition from other retail properties

The Subject Properties are located in areas where there are other competing properties are present and new properties may be developed which may compete with the Subject Properties. The appeal and attractiveness of the Subject Properties may decline in the future, especially if new retail properties and/or mixed used developments with a retail component are built and/or existing retail properties undergo upgrading and the Subject Properties fail to keep pace.

The income from, and the market value of, the Subject Properties will be dependent on the ability of the Subject Properties to compete against other similar retail properties for tenants. If, in the future, competing properties are more successful in attracting and retaining tenants, the income from the Subject Properties could be reduced. In order to retain existing tenants or attract new tenants, the Subject Properties may have to offer tenancies at rental rates below the prevailing rental rates in the market and this will in turn affect Paradigm REIT's income and amount of funds available for distributions to Unitholders.

5. RISK FACTORS (Cont'd)

5.1.3 The loss of key tenants or a significant number of tenants in the Subject Properties, a downturn in the businesses of the Subject Properties' key tenants and/or any breach by the key tenants of their obligations under their tenancy agreements may have a material adverse effect on the financial condition and results of operations of Paradigm REIT

Paradigm REIT's financial condition and results of operations may be material adversely affected by the bankruptcy, insolvency or downturn in the businesses of any one or more of the key tenants, as well as the decision by one or more of these tenants not to renew its tenancy or to terminate its tenancy before it expires. These key tenants include, but are not limited to, the overall top 10 tenants (including AEON) across the Subject Properties by Gross Rental Income and a significant number of tenants of any of the Subject Properties. If key tenants or a significant number of tenants terminate their tenancies prior to the expiry or do not renew their tenancies upon expiry, it may be difficult to secure replacement tenants on the same or more favourable terms.

The loss of key tenants or a significant number of tenants for any one of the Subject Properties could result in periods of vacancy, which could adversely affect the revenue and financial condition as well as footfall of the Subject Properties. The departure of key tenants could also have an impact on the interest of the potential or replacement tenants to take up a tenancy in the Subject Properties or the interest of the existing tenants to continue with or renew their tenancies in the Subject Properties. Consequently, Paradigm REIT's ability to make distributions to the Unitholders may be impacted.

Collectively, the overall top 10 tenants (including AEON) across the Subject Properties by Gross Rental Income accounted for approximately 31.4% of the Subject Properties' Gross Rental Income for the month of March 2025.

Similarly, if key tenants or a significant number of tenants do not renew their tenancies upon expiry or a significant number of early terminations by key tenants and/or other tenants occur, and replacement tenants cannot be secured, or if secured, tenancies are entered into with these tenants on terms less favourable than those with the prior tenants, this could materially and adversely affect Paradigm REIT's financial condition and results of operations.

Further, in the event that any key tenants of the Subject Properties are unable to pay their rent or breach their obligations under the tenancy agreements, Paradigm REIT's financial condition and results of operations, and ability to make distributions to the Unitholders may be adversely affected. The performance of the key tenants' other businesses (if any) could also have an impact on their ability to make rental payments to Paradigm REIT.

Factors that affect the ability of such key tenants to meet their obligations under the tenancies include, but are not limited to:

- (i) general economic conditions;
- (ii) their results of operation or financial condition; and
- (iii) the local economies of the relevant Subject Properties.

5. RISK FACTORS (Cont'd)

5.1.4 The Subject Properties may require significant capital expenditure beyond the Manager's current estimate and Paradigm REIT may not be able to secure funding

Paradigm REIT may require periodic capital expenditure for carrying out refurbishment, renovation, improvements and development works for the Subject Properties in order for them to remain competitive or income-producing. Paradigm REIT may not be able to fund such capital expenditure solely from cash derived from its operating activities and may not be able to obtain additional equity and/or debt funding on favourable terms or at all. If Paradigm REIT is not able to secure required funding for such capital expenditure, the Manager may not be able to refurbish, renovate or improve the Subject Properties which may adversely affect rental negotiations and rental rates in the future, and/or limit Paradigm REIT's ability to carry out its operations and to fund its future expansion, which in turn may have a material adverse effect on Paradigm REIT's financial condition.

5.1.5 Renovations, asset enhancement works and physical damage to the Subject Properties may disrupt the business and operations of the Subject Properties and collection of Paradigm REIT's Gross Rental Income and result in an adverse impact on the financial condition of Paradigm REIT

The quality and design of the Subject Properties have a direct influence over the demand for space in, and the rental rates of, the Subject Properties. The Subject Properties may need to undergo renovation, upgrading, development, redevelopment or asset enhancement programmes from time to time to retain their competitiveness. They may also require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop or other asset enhancement works required due to the enforcement of new planning laws or regulations and it is possible that the Subject Properties may be required to undergo modification or rectification works to comply with such new planning laws or regulations. The costs of maintaining retail properties and the risk of unforeseen maintenance, repair and asset enhancement requirements tend to increase over time as buildings age. As a result of such renovation and redevelopment works, the business and operations of the Subject Properties may suffer some disruption and it may not be possible to collect the rental income in full, or at all, on space affected by such renovation and redevelopment works.

Further, there can be no assurance that Paradigm REIT will be able to collect the same amount of rental income even after such renovation or development works. Any inconvenience or disruption to the operations of the Subject Properties may also result in the loss of major tenants and/or a decrease in rental demand for the Subject Properties.

Further, physical damage to any of the Subject Properties resulting from fire or other causes may lead to a significant disruption to the business and operations of the affected Subject Property and, together with the foregoing, may impose unbudgeted costs on Paradigm REIT. This may result in an adverse impact on the financial condition and results of operations of Paradigm REIT and its ability to make distributions to the Unitholders.

5.1.6 The Subject Properties might be adversely affected if the Manager and the Property Manager do not provide adequate management and maintenance

Should the Manager and the Property Manager fail to provide adequate management and maintenance of the Subject Properties, the appeal of the Subject Properties may be adversely affected, potentially leading to a decrease in shopper traffic with shoppers being attracted to the competitors of the Subject Properties. This may result in a loss of tenants or lower rental rates, which will adversely affect the financial condition of Paradigm REIT and its ability to make distributions to the Unitholders.

5. RISK FACTORS (Cont'd)

As Bukit Tinggi Shopping Centre is leased to AEON as master lessee, AEON is responsible for the general management and maintenance of Bukit Tinggi Shopping Centre and Paradigm REIT is responsible for repairing all structural defects and maintaining machine and equipment of Bukit Tinggi Shopping Centre in accordance with the terms and conditions of the master lease agreement.

5.1.7 Paradigm REIT may suffer material losses in excess of insurance proceeds or Paradigm REIT may not put in place or maintain adequate insurance in relation to the Subject Properties and its potential liabilities to third parties

The Subject Properties face the risk of suffering physical damage caused by fire, terrorism, acts of God such as natural disasters or other causes, as well as potential public liability claims, including claims arising from the operations of the Subject Properties.

In addition, certain types of risks (such as risk and losses caused by acts of war or the outbreak of contagious diseases, contamination or other damages caused by breaches of environmental law) may be uninsurable or the cost of insurance of which may be prohibitive when assessed against the risk. Paradigm REIT's insurance policies for the Subject Properties include property damage caused by fire, machinery breakdown, plate glass, consequential losses caused from fire, burglary and public liability but do not in general cover acts of war, outbreak of contagious diseases, contamination or other damages caused by breaches of environmental law.

Should an uninsured loss or a loss in excess of insured limits occur, Paradigm REIT could be required to incur additional unbudgeted capital expenditure to pay compensation and/or lose capital invested in the affected Subject Property as well as anticipated future revenue from that property as it may not be able to rent or sell the affected Subject Property. No assurance can be given that losses in excess of insurance proceeds will not occur.

In addition, Paradigm REIT's insurance policies and terms of coverage are subject to renewal and negotiations on a periodic basis in the future and there can be no assurance as to the nature and extent of coverage and that they will be made available on commercially reasonable terms in the future. Any material increase in insurance rates or decrease in available coverage in the future may adversely affect Paradigm REIT's business, financial condition and results of operations.

5.1.8 The due diligence on the Subject Properties may not have identified all material defects, breaches of laws and regulations and other deficiencies

The Manager has arranged for due diligence to be carried out on the title and other legal matters affecting the Subject Properties. However, the due diligence that has been carried out to-date may not be able to reveal all breaches of laws or regulations or defects or deficiencies affecting the Subject Properties, including to the condition of the title thereof.

Further, no technical due diligence was undertaken by the Manager on the Subject Properties. There can be no assurance that the Subject Properties do not or will not have defects or deficiencies which will require additional expenditure, special repair or maintenance expenses or the payment of damages or other obligations to third parties. Such costs or liabilities may involve significant and potentially unpredictable levels of expenditure which could have a material adverse effect on Paradigm REIT's business, financial condition and results of operations.

Moreover, the representations, warranties and indemnities made in favour of Paradigm REIT by the Vendors may not offer sufficient protection for the costs and liabilities arising from any defect or deficiency.

5. RISK FACTORS (Cont'd)

5.1.9 The Appraised Values of the Subject Properties are based on various assumptions which may or may not materialise and the price at which Paradigm REIT is able to sell the Subject Properties in the future may be lower than the acquisition value of the Subject Properties

There can be no assurance that the assumptions relied on by the Independent Property Valuer are accurate or appropriate, and the Appraised Values of the Subject Properties may therefore potentially be inaccurate. Property valuation in general involves the use of assumptions, estimates, subjective parameters and/or close proxies. The Independent Property Valuer may have made a subjective determination of certain factors relating to the Subject Properties, such as their relative market positions, financial and competitive strengths, and physical conditions and, accordingly, the valuation of the Subject Properties (which determines the NAV per Unit) may be subjective in nature.

The valuation of any of the Subject Properties does not guarantee a sale price at that value now or in the future as values may change over the time and are subject to market conditions. The price at which Paradigm REIT may sell a property may be lower than the Appraised Value or its acquisition price. In any event, the Appraised Value of any of the Subject Properties does not guarantee that the future sale price of any of the Subject Properties will be favourable or will not fall below its acquisition price. If the sale price of any of the Subject Properties is significantly lower than its acquisition price, Paradigm REIT's financial condition may be materially and adversely affected.

5.1.10 Paradigm REIT is dependent on third parties for certain services

Certain services to the Subject Properties, for example, water, electricity, liquefied petroleum gas and sewerage treatment may be provided by third party service providers or may not be located within the Subject Properties. There can be no assurance that the third parties or other parties contracted by the third parties will fulfil their obligations under any contracts of service. Paradigm REIT is also dependent on the Property Manager for providing tenancy management services, marketing and marketing coordination services and property management services. Any interruption to such services to the Subject Properties may disrupt business operations and have a material adverse effect on Paradigm REIT's business, financial condition and results of operations.

5.1.11 Non-registration of discharges of charge for the Subject Properties

The Subject Properties are currently charged by the Vendors to the respective financiers as security for borrowings granted by the existing financiers to the Vendors and its affiliates. Redemption sums will be paid to the existing financiers to redeem the Subject Properties on or before the Listing Date. Pursuant to the terms of the SPAs, the relevant discharge forms relating to these existing charges will be presented for registration at the relevant land registry simultaneously with the presentation of the memorandums of transfer of the Subject Properties in favour of the Trustee. Notwithstanding the presentation of the discharge forms and the memorandums of transfer for registration at the relevant land registry, such discharge of charge forms may not be registered by the relevant land registry.

In the event that such discharge of charge forms are not registered by the relevant land registry, there is a risk of a delay in registration or non-registration of the memorandums of transfer of such Subject Properties in favour of the Trustee, on behalf of Paradigm REIT.

5. RISK FACTORS (Cont'd)

5.1.12 Registration of transfer of the Subject Properties may be delayed or may not take place at all

Under the land registration system in West Malaysia, the legal title in real property does not pass to the transferee until the relevant instrument of transfer has been duly registered in the relevant land registry in favour of the transferee. Depending on the relevant land registry, the registration process could take a few months to complete and the issue document of title to the real property registered under the name of the transferee will only be issued to the transferee after completion of such registration process. Although the registration process could take some time to complete, once the relevant instrument of transfer is registered, the date of change of ownership of the real property to the transferee will in practice be the date such instrument of transfer was presented for registration at the relevant land registry.

The presentation of the instruments of transfer in respect of the Subject Properties and the registration of the same in favour of the Trustee will only occur on or after the Listing Date. As such, there is a risk of a delay in registration or non-registration of the memorandums of transfer of such Subject Properties in favour of the Trustee.

To mitigate the risk of a delay in registration or non-registration of the memorandums of transfer of such Subject Properties in favour of the Trustee, the relevant SPAs provide that, among others, each relevant Vendor will hold the issue documents of title to the relevant Subject Properties as bare trustees on behalf of the Trustee following completion of the relevant SPAs and will not deal with the Subject Properties (including sell, lease, charge, encumber or otherwise) without the prior written consent of the Trustee and will do all such acts and things as may be reasonably required by the Trustee so that the Trustee may effectively deal with the Subject Properties in its capacity as the sole unencumbered beneficial owner, including granting a power of attorney to the Trustee with the power to fully deal with the Subject Properties as the true and rightful proprietor of the Subject Properties. However, there can be no assurance that the Vendors will comply with the terms of the SPAs, and/or that the Trustee will be able to enforce the terms of the SPAs. Notwithstanding the foregoing, the relevant SPAs allow the Trustee to issue a notice to the relevant Vendors to terminate the relevant SPAs if the issue documents of title to the Subject Properties cannot be registered in the name of the Trustee due to no fault on the part of the Trustee or the relevant Vendors.

5.1.13 Completion of the SPAs and assignments or transfers of certain contracts or licences may not occur

There can be no assurance that the SPAs, which are interdependent on each other, will complete in accordance with their respective terms. The SPAs are subject to conditions precedent, which may not be satisfied or waived. Further, the Vendors may fail to comply with the terms of the SPAs, including the obligation to complete the sale to the Trustee, on behalf of Paradigm REIT. Please refer to Section 14.3 "Salient Terms of the SPAs" of this Prospectus for details of the SPAs. If any SPA is not completed in accordance with its terms, the acquisitions of the Subject Properties by the Trustee will not complete, and Paradigm REIT will be unwound. In the event the Units have been allotted, the Unitholders who were allotted Units under the Offering will only receive refunds of their monies after the completion of the winding up of Paradigm REIT in accordance with the terms of the Deed.

Further, the assignment of certain servicing, maintenance and insurance contracts require the consents of various third parties before they can be validly transferred. However, there can be no assurance that all such contracts will be assigned to the Trustee and the Trustee may be adversely affected if the benefits of such contracts are unavailable or have to be re-contracted with the existing or new service providers or insurers on less favourable terms.

5. RISK FACTORS (Cont'd)

Some licences, permits and approvals required for certain operational aspects of the Subject Properties may need to be transferred to or applied for by the Trustee as the new owner of the Subject Properties upon completion of the SPAs. There can be no assurance that such licences, permits and approvals can be transferred or will be issued by the relevant authorities or government bodies within a reasonable period. Such operational aspects of the Subject Properties may be affected if these licences, permits and approvals cannot be transferred or are not issued and this may attract fines/penalties in the event that the Subject Properties are in operations without such valid licences, permits and approvals.

5.1.14 There can be no assurance that the Subject Properties will be able to maintain rental rates at prevailing market rates

The rental rates of the Subject Properties will depend upon various factors, including but not limited to, prevailing supply and demand conditions as well as the quality and design of the Subject Properties. There can be no assurance that the Manager will be able to procure new tenancies or renew existing tenancies at prevailing market rates.

The income from the Subject Properties will be dependent on the ability of the Subject Properties to compete against other retail properties for tenants. If, in the future, competing retail properties are able to offer lower rental rates to attract the existing tenants of the Subject Properties, the income from the Subject Properties could be reduced, thereby adversely affecting Paradigm REIT's cash flow and amount of funds available for distribution to the Unitholders.

5.1.15 Recurring traffic congestion in prime areas and transportation infrastructure near the Subject Properties may not be implemented as planned, or may be redirected, relocated, terminated, delayed or not completed and may affect overall accessibility to the relevant Subject Properties

Recurring traffic congestion in prime areas, along with potential delays or disruptions to transportation infrastructure near the Subject Properties, may negatively affect overall accessibility. Transportation projects could face issues such as redirection, relocation, termination, delays, or non-completion, all of which could impact the ease of access to the relevant Subject Properties.

In Petaling Jaya, Paradigm Mall PJ faces heavy traffic, particularly during peak hours, due to its main access via the LDP highway, while Paradigm Mall JB faces limited public transport connectivity.

There can be no assurance that amenities, transportation infrastructure and public transport services near the Subject Properties will be implemented or completed as planned or will not be closed, relocated, terminated or delayed. If such an event were to occur, it may adversely impact the accessibility, particularly during periods of heavy congestion and the attractiveness and marketability of the relevant Subject Property to tenants.

This may then have an adverse effect on the prospects of greater footfall, demand and the rental rates for the relevant Subject Property and adversely affect the business, financial condition and results of operations of Paradigm REIT.

5. RISK FACTORS (Cont'd)

5.1.16 Paradigm REIT may be subject to legal proceedings

Legal proceedings against Paradigm REIT relating to property management and disputes over tenancies may arise from time to time. There can be no assurance that Paradigm REIT will not be involved in such proceedings or that the outcome of these proceedings will not adversely affect the financial condition, results of operations or cash flow of Paradigm REIT. However, as at the Latest Practicable Date, neither Paradigm REIT nor the Manager is involved in any material litigation nor, to the best of the Manager's knowledge, is any material litigation or arbitration proceedings currently contemplated or threatened against Paradigm REIT or the Manager.

Paradigm REIT is exposed to the risk of litigation or claims by shoppers, contractors or tenants of the Subject Properties, which may arise for a variety of reasons, including accidents or injuries that may be suffered by them while at the Subject Properties, tenants' inability to enjoy the use of the Subject Properties in accordance with the terms of their tenancy and Paradigm REIT's failure to perform any of its obligations under any tenancy, construction or other contract or agreement entered into with contractors, tenants or other third parties. If Paradigm REIT incurs any liability arising from any litigation, this may have a material adverse effect on Paradigm REIT's business, financial condition and results of operations.

5.1.17 The Subject Properties or any part of them may be acquired compulsorily

Under Section 3 of the Land Acquisition Act 1960, the State Authority has the power to acquire any land, whether whole or in part, which is needed:

- (i) for any public purpose;
- (ii) by any person or corporation for any purpose which, in the opinion of the State Authority, is beneficial to the economic development of Malaysia or any part thereof or to the public generally or any class of the public; or
- (iii) for the purpose of mining or for residential, agricultural, commercial, industrial or recreational purposes or any combination of such purposes.

In the event of any compulsory acquisition of property in Malaysia, the amount of compensation to be awarded is based on the market value of a property and is assessed on the basis prescribed in the Land Acquisition Act 1960 and other relevant laws. The market value of the Subject Properties as determined by the State Authority may be lower than the market value as determined by any independent property valuer appointed by Paradigm REIT, or, if any of the Subject Properties were acquired compulsorily by the State Authority at a point in time when the market value of the Subject Properties has decreased, the level of compensation paid to Paradigm REIT may be less than the price which Paradigm REIT paid for the Subject Properties. This may have an adverse effect on Paradigm REIT's business, financial condition and results of operations. If the compulsory acquisition relates to a material section of the Subject Properties such as retail space, car park areas and/or access areas to the Subject Properties, the business and operations of the Subject Properties may be adversely affected thereby resulting in a reduction of Total Revenue and the market value of the Subject Properties.

5. RISK FACTORS (Cont'd)

5.2 RISKS RELATING TO PARADIGM REIT'S OPERATIONS

5.2.1 Paradigm REIT is exposed to economic, real estate market conditions (including uncertainties and instability in global market conditions and increased competition in the retail property market) and political risks in Malaysia

The Subject Properties are situated in Malaysia which exposes Paradigm REIT to the risk of a downturn in economic and property market conditions in Malaysia and also to political risks in Malaysia. A decline in Malaysia's economy could adversely affect Paradigm REIT's results of operations and future growth. Historically, the Malaysian property market has been cyclical and Malaysia's property values, rents and occupancy rates have been affected by, among others, the rate of economic growth, interest rates and inflation in Malaysia.

The performance of Paradigm REIT may also be adversely affected by a number of local real estate market conditions, such as the competitiveness of competing retail properties or the supply of and demand for retail properties. An economic decline in Malaysia, a decline in real estate market conditions in Malaysia or any other developments outside the control of Paradigm REIT and the Manager, would have a material adverse effect on Paradigm REIT's business, financial condition and results of operations.

In addition, the Malaysian economy is affected by global economic conditions. In recent years, the global economy has experienced high levels of volatility and uncertainty, including, among others, COVID-19 pandemic, the US-China trade war, fluctuation in oil prices and geopolitical conflicts, all of which could affect the Malaysian economy. The deterioration of the Malaysian economy could lead to significant declines in employment, household wealth, and consumer demand, which could adversely affect Paradigm REIT to the extent that it may result in:

- (i) reduced shopper traffic and/or tenants in the Subject Properties;
- (ii) a negative impact on the ability of the tenants to pay their rents (including percentage rent) in a timely manner or continue their tenancies, thus reducing Paradigm REIT's revenue and/or cash flows; and/or
- (iii) an increase in overall counterparty risk involving parties such as, but not limited to, tenants, advertising customers, insurers, lenders as well as contractors and suppliers (in terms of any warranties provided).

In an economic downturn, Paradigm REIT may have difficulty accessing the financial markets, which could make it more difficult or expensive to obtain funding in the future. There can be no assurance that Paradigm REIT will be able to raise funds at a reasonable cost, which may have a material adverse effect on Paradigm REIT's business, financial condition and results of operations.

In addition, Paradigm REIT is exposed to political risks in Malaysia. Paradigm REIT may be affected by changes in government policies as a result of a change of government administration and the political sentiment in Malaysia may change and affect Paradigm REIT adversely.

5.2.2 The Total Revenue earned from, and the value of, the Subject Properties may be adversely affected by a number of factors

The Total Revenue earned from, and the value of, the Subject Properties may be adversely affected by a number of factors, including:

- (i) vacancies following the expiry or termination of tenancies and/or leases that lead to lower occupancy rates, which reduce Paradigm REIT's Gross Rental Income and its ability to recover certain operating costs through service charges;

5. RISK FACTORS (Cont'd)

- (ii) the ability to collect rent from tenants on a timely basis or at all;
- (iii) the amount of and extent to which Paradigm REIT is required to grant rental rebates to tenants due to market pressure;
- (iv) tenants seeking the protection of bankruptcy / insolvency laws which could result in delays in the receipt of rent payments, inability to collect rental income, or delays in the termination of the relevant lease, or which could hinder or delay the re-letting of the space in question or the sale of the relevant property;
- (v) the amount of rent payable by tenants and the terms on which tenancy renewals and new tenancies are agreed upon being less favourable than current tenancies;
- (vi) tenants that breach the terms and conditions of the tenancies resulting in termination of tenancies or non-payment of rental;
- (vii) defects affecting the Subject Properties which could affect the operations of tenants resulting in the inability of such tenants to make timely payments of rent;
- (viii) the general macroeconomic and supply and demand trends affecting the global and Malaysian economic conditions and conditions in the retail real estate market sector in Malaysia
- (ix) adverse changes in laws, regulations or governmental policies may impact the underlying business and financial performance of tenants, which could in turn affect their ability to make timely payments of rent or continue their tenancies; and
- (x) acts of God, wars, terrorist attacks, riots, civil commotions widespread communicable diseases and other events beyond the control of the Manager.

5.2.3 Operating risks inherent to the retail property industry and increases in operating and other expenses of the Subject Properties may have an adverse effect on Paradigm REIT's financial condition and results of operations

Paradigm REIT's ability to maintain a certain level of distributions to the Unitholders could be adversely affected if its operating and other expenses increase without a corresponding increase in revenue or tenant reimbursement of operating and other costs. Factors which could increase operating and other costs of the Subject Properties include, but are not limited to, the following:

- (i) increase in quit rent and assessments (property and related taxes) and other statutory charges;
- (ii) change in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;
- (iii) increase in utility costs (including any increase in preferential tariffs granted by utility service providers);
- (iv) increase in third party sub-contracted service costs;
- (v) increase in the rate of inflation;
- (vi) increase in insurance premiums;
- (vii) increase in property management cost and management fees;
- (viii) increase in costs of financing for operating or capital requirements; and

5. RISK FACTORS (Cont'd)

- (ix) damage or defects affecting the Subject Properties which need to be rectified, leading to unforeseen capital expenditure.

Additionally, capital expenditures and other expenses such as on-going repairs and maintenance may involve significant and unpredictable expenditures. Both the amount and timing of such expenditures will have an impact on the cash flow of Paradigm REIT. If the Subject Properties do not generate revenue sufficient to meet operating expenses, debt service and capital expenditures, Paradigm REIT's business, financial condition and results of operations may be materially and adversely affected and impacts its ability to maintain a certain level of distribution to the Unitholders.

Many of these factors may have an adverse effect on the NPI derived from the Subject Properties. The valuation of the Subject Properties will reflect such factors and as a result, such valuation may fluctuate.

5.2.4 Paradigm REIT is subject to risks inherent in concentrating investments in retail properties in a single country

Paradigm REIT's principal investment policy is to invest, directly, or indirectly, in a diversified portfolio of income-producing Real Estate used for retail, commercial, office, industrial and hospitality purposes and such other non-real estate assets in Malaysia.

The Subject Properties comprise 3 retail properties. As such, Paradigm REIT will be subject to additional risks compared to a portfolio that is diversified in terms of asset class. Other REITs which diversify their investments in terms of asset classes and geographical spread may not be exposed to the same level of risk as Paradigm REIT. These risks include, and are not limited to, a downturn in the retail sector and in the Malaysian economy, movements in interest rates and changes in policies or laws affecting visitors to the areas where the Subject Properties are located, reduced retail spending, tenant insolvency, reduced rental and occupancy rates. Such downturns would affect distributions to the Unitholders, and have a material adverse effect on Paradigm REIT's business, results of operations and financial condition.

5.2.5 The amount Paradigm REIT may borrow is limited, which may affect the operations and expansion of Paradigm REIT

Under the REIT Guidelines, Paradigm REIT is only permitted to borrow up to 50.0% of its Total Asset Value at the time any borrowing is incurred. Paradigm REIT may, from time to time, require further debt financing to execute its investment strategies. In the event that Paradigm REIT borrows 50% of its Total Asset Value or a decline in the value of the Deposited Property causes its borrowings to exceed the limit permitted under the REIT Guidelines, Paradigm REIT will be unable to obtain any further debt financing. In such circumstances, Paradigm REIT will not be able to pursue its investment strategies and may face adverse business consequences such as:

- (i) inability to fund capital requirements in relation to Paradigm REIT's existing asset portfolio or in relation to Paradigm REIT's acquisitions to expand its portfolio; and
- (ii) cash flow shortages (including with respect to distributions to the Unitholders) which Paradigm REIT might otherwise be able to resolve by borrowing.

5. RISK FACTORS (Cont'd)

5.2.6 Changes in consumer behaviour patterns in Malaysia may adversely affect Paradigm REIT

Changes in consumer behaviour patterns in Malaysia may adversely affect Paradigm REIT's business, financial condition and results of operations. The increasing trend of consumers shifting their preference from retail shopping to e-commerce may lead to a decrease in shopper traffic to the Subject Properties and to retail malls in Malaysia as a whole. This will lead to a downturn in the businesses of tenants of the Subject Properties and affect their ability to make rental payments to Paradigm REIT (including percentage rent), which will in turn adversely affect Paradigm REIT's Total Revenue.

Consumers have been and may continue to be affected by rising inflation and shrinking purchasing power. This may adversely affect the businesses of the tenants of the Subject Properties and of Paradigm REIT in turn.

5.2.7 Paradigm REIT may face risks associated with debt financing and existing and future debt facilities and debt covenants may limit or affect Paradigm REIT's operations

Upon Listing, Paradigm REIT will have total indebtedness of RM841.7 million (representing approximately 34.0% of its Total Asset Value of RM2,475.6 million based on Paradigm REIT's Pro Forma Statement of Financial Position). Paradigm REIT's actual indebtedness upon Listing is subject to the actual proceeds to be raised under the Offering. Further, a decline in the value of the Deposited Property may cause the borrowing limit under the REIT Guidelines to be exceeded, thus affecting Paradigm REIT's ability to make further borrowings.

Paradigm REIT is also subject to risks associated with existing and future debt financing, including the risk that its cash flow will be insufficient to meet the required payments of principal and interest under such financing, and therefore be unable to make distributions to the Unitholders. If further debt funding is incurred, it would result in increased debt service obligations and may result in additional operating and financing covenants, or liens on the Subject Properties, that would restrict its operations. Please refer to Section 3.8 "REIT Financing" of this Prospectus for further details on the debt financing of Paradigm REIT.

The Manager intends to distribute at least 90.0% of Paradigm REIT's Distributable Income. As a result of this distribution policy, Paradigm REIT may not be able to meet all of its obligations to repay any borrowings through its cash flow from operations. Paradigm REIT may be required to repay maturing debt with funds from additional debt or equity financing or both. There can be no assurance that such financing will be available on acceptable terms or at all.

If principal amounts due for repayment at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new equity capital, Paradigm REIT will not be able to repay all maturing debt. In such cases, if Paradigm REIT defaults under such debt facilities, the lenders may be able to declare a default and initiate enforcement proceedings in respect of any security provided, and/or call upon any guarantees provided. Further, if Paradigm REIT's properties are mortgaged, such properties could be foreclosed by the lender or the lender could require a forced sale of the properties with a consequent loss of income and asset value to Paradigm REIT. This would in turn affect the distributions to be paid to the Unitholders.

5. RISK FACTORS (Cont'd)

Even if Paradigm REIT were able to secure new debt financing, Paradigm REIT may be subject to the risk that the terms of any refinancing undertaken will be less favourable than the terms of the borrowings sought to be refinanced (including bank borrowings or issuances of debenture and bonds). Paradigm REIT may also be subject to certain covenants that may limit or otherwise adversely affect its operations and its ability to make distributions to Unitholders. Such covenants may also restrict Paradigm REIT's ability to acquire properties or undertake other capital expenditure and may require it to set aside funds for maintenance or repayment of security deposits or require Paradigm REIT to maintain certain financial ratios (such as loan to value ratios). The triggering of any of such covenants may have an adverse impact on Paradigm REIT's financial condition.

Increases in interest rates could significantly affect Paradigm REIT's financial condition and results of operations. The interest rates of Paradigm REIT's borrowings could be subject to changes based on the cost of funds of the lenders, which could be subject to renegotiation on a periodic basis. If the interest rates for Paradigm REIT's existing or future borrowings increase significantly, its cost of funds will increase which may adversely impact its results of operations, planned capital expenditure and cash flows.

5.2.8 The Manager may not be able to successfully implement its investment strategies, including asset enhancements, for Paradigm REIT and future acquisitions may not yield the returns expected, may result in disruptions to Paradigm REIT's business, may strain management resources and may result in the dilution of holdings

There can be no assurance that the Manager will be able to implement its investment strategies successfully or that it will be able to expand Paradigm REIT's portfolio at any particular rate or to any particular size. The success of implementation of its investment strategies depends on the identification of suitable assets and the ability to obtain financing. The Manager may not be able to make acquisitions or investments on favourable terms or within a desired time frame, which will affect the growth of Paradigm REIT.

Paradigm REIT's ability to make new property acquisitions under its acquisition growth strategy may be adversely affected by the emergence of competitors in the retail property investment market. There may be significant competition for investment opportunities from other property investors, including other REITs, commercial property development companies and private investment funds. There can be no assurance that Paradigm REIT will be able to compete effectively against such entities.

Even if Paradigm REIT were able to successfully acquire property or investments, there can be no assurance that Paradigm REIT will achieve its intended return on or any positive returns on such acquisitions or investments.

Further, Paradigm REIT's external growth strategy and its asset selection process may not be successful and may not provide positive returns to the Unitholders. There are risks associated with pursuing further acquisitions of retail properties and/or mixed use developments with a retail component and successfully integrating them into Paradigm REIT's portfolio. For example, the expected benefit, synergies or efficiencies from such acquisitions may take longer than expected to be achieved or may not be achieved at all. New Units issued as consideration for or otherwise in connection with any new acquisition could also be dilutive to existing Unitholders. Further, acquisitions may divert management's attention away from day-to-day operations and cause disruptions to Paradigm REIT's operations.

Even if the Manager can identify suitable assets and investment opportunities for Paradigm REIT, obtaining funding for such acquisitions and investments may be difficult. Potential vendors may view negatively the prolonged timeframe and lack of certainty associated with the raising of equity capital to fund any such purchase. They may instead prefer other potential purchasers.

5. RISK FACTORS (Cont'd)

The Manager may from time to time initiate AELs on some of the Subject Properties. There can be no assurance that such plans for asset enhancement will materialise, or in the event that they do materialise, they may not achieve their desired results or may incur significant costs. For further details on the AELs of the Subject Properties, please refer to Section 2 “Subject Properties” of this Prospectus.

5.2.9 Paradigm REIT may not meet the requirements to enjoy tax exemptions under Section 61A of the Income Tax Act by virtue of, among others, tax adjustments which could affect the requirement of 90.0% distribution of taxable income or changes in tax laws which may affect Paradigm REIT and/or the Unitholders

Pursuant to Section 61A of the Income Tax Act, a REIT is exempted from income tax for the relevant year of assessment provided that it distributes at least 90.0% of its total income (as defined under the Income Tax Act) to its unitholders in the basis period of the REIT for the relevant year of assessment. The Malaysian Inland Revenue Board (“MIRB”) has given a concession for such distribution to be made within 2 months after the close of the financial year which forms the basis period for the tax assessment of the REIT.

Where the abovementioned conditions pursuant to Section 61A of the Income Tax Act are met, the total income of Paradigm REIT will be exempted from Malaysian income tax. However, Paradigm REIT is required to withhold tax on taxable income distributed to certain Unitholders. Please refer to Appendix C “Tax Consultant’s Letter on Taxation of Paradigm REIT and Unitholders” of this Prospectus for the Malaysian withholding tax implications on distributions to investors from a Malaysian REIT which meets the requirements of Section 61A of the Income Tax Act.

There can be no assurance that Paradigm REIT will be able to comply with the requirements to enjoy tax exemptions under Section 61A of the Income Tax Act. In the event of a tax audit, the MIRB may make an upward adjustment to the total income of Paradigm REIT, which may result in Paradigm REIT no longer satisfying the 90.0% threshold requirements of Section 61A of the Income Tax Act. Moreover, if Paradigm REIT was not originally exempted under Section 61A of the Income Tax Act, an upward adjustment to total income would result in Paradigm REIT being subject to more tax.

The Malaysian tax laws may be subject to change. For example, the pre-requisites for tax exemption may become more difficult to meet such that Paradigm REIT would be more likely to be subject to tax or the tax exemption for Malaysian REITs may be removed altogether. Other tax exemptions and/or tax treatment applicable to the Unitholders, such as stamp duty on the transfer of units, withholding tax on income distributed to the Unitholders, etc, may also be removed or changed in the future.

5.2.10 Paradigm REIT depends on certain key personnel and the loss of any key personnel may adversely affect its operations

Paradigm REIT’s performance depends, in part, on the experience, industry knowledge, continued service and performance of the executive officers of the Manager. They are actively involved in Paradigm REIT’s day-to-day operations and also responsible for formulating and implementing Paradigm REIT’s business plans and investment strategies. The key personnel of the Manager also play a key role in maintaining good relationships with Paradigm REIT’s tenants, bankers, service providers and key investors. Should these key personnel leave the employment of the Manager, allocation of resources will be required to secure a replacement and the duties which such executive officers are responsible for may be affected. The loss of any of these individuals may have an adverse effect on Paradigm REIT’s business, financial condition and results of operations.

Please refer to Section 6.5 “Management Team of the Manager” of this Prospectus for details of the executive officers of the Manager.

5. RISK FACTORS (Cont'd)

5.2.11 Paradigm REIT may be adversely affected by the illiquidity of real estate investments and the lack of alternative uses and may be exposed to a higher level of risk compared to other types of unit trusts that have a more diverse range of investments

Paradigm REIT's focus on retail properties involves a higher level of risk compared to a unit trust portfolio with a more diverse range of investments which are more liquid. Real estate investments are relatively illiquid and such illiquidity may affect Paradigm REIT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, real estate market or other conditions. Paradigm REIT may be unable to sell its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets if a quick sale is required. These factors could have an adverse effect on Paradigm REIT's financial condition and results of operations, with a consequential adverse effect on Paradigm REIT's ability to deliver expected distributions to the Unitholders.

A concentration of investments in Real Estate exposes Paradigm REIT to the risk of a downturn in the real estate market. Such downturns may lead to a decline in occupancy for properties in Paradigm REIT's portfolio. This will affect Paradigm REIT's Gross Rental Income from the Subject Properties, and/or a decline in the capital value of Paradigm REIT's portfolio, which will have an adverse impact on distributions to the Unitholders and/or on the results of operations and the financial condition of Paradigm REIT.

5.2.12 A change of investment strategies may adversely affect Unitholders' investments in Paradigm REIT

Paradigm REIT's policies with respect to certain activities, including investments and acquisitions, will be determined by the Manager. Unitholders and potential investors should note that, subject to the requirements of the Deed and the Relevant Laws and Requirements, the Manager has wide discretion to determine the investment strategies of Paradigm REIT including investments and acquisitions. Furthermore, as with other investment decisions, there are risks and uncertainties with respect to the selection of investments and with respect to the investments themselves. Please refer to Section 10.10 "Investment Policies of Paradigm REIT" of this Prospectus for further details on the restrictions relating to the investment policies of Paradigm REIT.

5.2.13 Potential conflicts of interest among Paradigm REIT, the Manager and the Sponsor or its subsidiaries may result in corporate actions and business decisions that are not in the Unitholders' best interest

The Sponsor will be the single largest Unitholder of Paradigm REIT following the completion of the Offering. The properties developed, managed and/or sold by the subsidiaries of the Sponsor and the investment properties held by the Sponsor via its subsidiaries may directly compete with the Subject Properties and their rental rates.

Although the Sponsor has implemented policies to minimise any potential conflicts of interest, there can be no assurances that any conflicts of interest which may arise among Paradigm REIT, the Manager and WCTH Group in the future will be appropriately addressed under these policies. Please refer to Section 11.4.1 "The Sponsor" and Section 11.4.2 "Manager's Policies on Related Party Transactions and Dealing with Conflict of Interest Situations" of this Prospectus for further details.

5. RISK FACTORS (Cont'd)

5.2.14 Potential conflicts of interest among common major unitholder/shareholder and common directors of WCTH and Pavilion REIT

Pavilion Real Estate Investment Trust ("**Pavilion REIT**") is listed on the Main Market of Bursa Securities. The core activity of Pavilion REIT is investment in income-producing real estate assets used solely or predominantly for retail purposes (including mixed-use developments with a retail component) in Malaysia and other countries within the Asia Pacific region, and Paradigm REIT is involved in the retail segment similar to Pavilion REIT.

As at the LPD, TSDL is the common major shareholder and unitholder and common director of the Sponsor and Pavilion REIT, while Dato' Lee is the common director of the Sponsor and Pavilion REIT, which will potentially give rise to a conflict of interest situation due to the overlapping influence of TSDL and Dato' Lee in both Paradigm REIT and Pavilion REIT. Please refer to Section 11.5.1 "Common major Unitholder/substantial shareholder and common directors" of this Prospectus for further details.

TSDL, Dato' Lee and the Manager, have provided irrevocable letters of undertaking to mitigate the potential conflict of interest. Please refer to Section 11.5.2 "Undertaking provided by TSDL", Section 11.5.3 "Undertaking provided by Dato' Lee" and Section 11.5.4 "Undertaking provided by the Manager" of this Prospectus for further details.

5.2.15 Potential conflicts of interest relating to the acquisition of properties from the Sponsor

Given the business portfolio of the Sponsor, the Manager may in the future recommend that Paradigm REIT acquire additional properties from the Sponsor and/or its subsidiaries. In such cases, the Manager is required to obtain valuations from independent property valuers and comply with all other applicable requirements applicable to such transactions pursuant to the REIT Guidelines. There can be no assurance that the negotiations with respect to such properties related to the sale and purchase of such properties (in particular, the representations, warranties and/or indemnities agreed) will not be adverse to Paradigm REIT.

Any potential conflict of interest between Paradigm REIT and the Sponsor may have a negative effect on Paradigm REIT's financial condition. However, the REIT Guidelines provide that any related party transaction must be made on terms which are the best available for the REIT and which are no less favourable to the REIT than an arm's length transaction between independent parties.

The Sponsor has granted the ROFR which will remain effective and binding for so long as:

- (i) the Manager remains as the management company of Paradigm REIT;
- (ii) the Sponsor holds direct and/or indirect interest of 50.0% or more in the Manager;
- (iii) the Sponsor holds direct and/or indirect interest of 33.0% or more in Paradigm REIT; and
- (iv) Paradigm REIT remains listed on Bursa Securities.

In the event the aforementioned conditions are not met, the ROFR may be terminated which may result in a reduced pool of ready assets available for Paradigm REIT's consideration for acquisition of properties.

5. RISK FACTORS (Cont'd)

The potential conflict of interest situation involving Paradigm REIT, the Manager and WCT and/or its subsidiaries in the future will be appropriately addressed under policies implemented by the Sponsor and Manager. Please refer to Section 11.4.1 “The Sponsor” and Section 11.4.2 “Manager’s Policies on Related Party Transactions and Dealing with Conflict of Interest Situations” of this Prospectus for further details.

5.2.16 Occurrence of any acts of God, war and terrorist attack may adversely and materially affect the business and operations of the Subject Properties

Acts of God, such as natural disasters, are beyond the control of Paradigm REIT or the Manager. These may materially and adversely affect the economy, infrastructure and livelihood of the local population. Paradigm REIT’s business, financial condition and results of operations may be adversely affected should such acts of God occur.

Paradigm REIT may have significant investments in markets that may in the future be the targets of actual or threatened terrorist attacks such. As a result, some tenants in these markets may choose to relocate their businesses to other markets or to lower-profile retail malls within these markets that may be perceived to be less likely targets of future terrorist activity. This could result in an overall decrease in the demand for retail space in these markets generally or in the Subject Properties in particular, which could increase vacancies in the Subject Properties or necessitate that the Subject Properties are leased on less favourable terms or both. In addition, terrorist attacks could directly or indirectly damage the Subject Properties, both physically and financially, or cause losses that materially exceed insurance coverage. As a result of the foregoing, Paradigm REIT’s ability to generate revenues and the value of its properties could decline materially.

Physical damage to the Subject Properties resulting from fire, flood, earthquakes or other acts of God or acts of war, civil unrest or terrorist attack may directly or indirectly lead to a significant disruption to the business and operations of the Subject Properties. This may result in the loss of invested capital in the affected Subject Properties as well as anticipated future revenues as it may not be able to rent or sell the affected Subject Properties and any financial obligations secured by such Subject Properties may be accelerated. As a result, income available for distribution to the Unitholders may be adversely affected.

5.2.17 Impact of disease outbreaks to Paradigm REIT’s business, financial condition and results of operations

Paradigm REIT may in the future face disruptions to its business, financial condition and results of operations due to the outbreak of an infectious disease together with any resulting restrictions on travel and/or imposition of quarantines.

Since the outbreak of the COVID-19 pandemic in 2020 up to Malaysia’s transition into the endemic stage on 1 April 2022, the Subject Properties had to comply with government directives aimed at controlling the pandemic, including lockdowns and other restrictions on the movement of people and goods, social distancing and workplace safety measures. As a result, these movement and social distancing restrictions have impacted the ability of its tenants to make sales.

There can be no assurance that Malaysia will not encounter other disease outbreaks in the future. This could have a similar impact to the business and operations of the tenants of the Subject Properties, and in turn, the revenues and results of Paradigm REIT, as in the COVID-19 outbreak.

These factors could materially and adversely affect the business, financial conditions and the results of operations of Paradigm REIT. For details on the impact of COVID-19 pandemic to the operations of the Subject Properties and tenants of the Subject Properties, please refer to Section 2.9.1 “COVID-19 conditions in Malaysia” of this Prospectus.

5. RISK FACTORS (Cont'd)

5.2.18 Paradigm REIT relies on information technology in its operations, and any material failure, inadequacy, interruption or security failure of that technology could harm its business

Paradigm REIT relies on information technology networks and systems, including the Internet, to process, transmit and store electronic information and to manage or support a variety of its business processes, including financial transactions and maintenance of records, which may include personally identifiable information of tenants and lease data. Paradigm REIT relies on commercially available systems, software, tools and monitoring to provide security for processing, transmitting and storing confidential tenant information, such as individually identifiable information relating to financial accounts. Although Paradigm REIT has taken steps to protect the security of the data maintained in its information systems, it is possible that such security measures will not be able to prevent the systems' improper functioning, or the improper disclosure of personally identifiable information such as in the event of cyber-attacks. Security breaches, including physical or electronic break-ins, computer viruses, attacks by hackers and similar breaches, can create system disruptions, shutdowns or unauthorised disclosure of confidential information. Any failure to maintain proper function, security and availability of Paradigm REIT's information systems could interrupt its operations, damage its reputation, subject Paradigm REIT to liability claims or regulatory penalties and could materially and adversely affect it.

5.2.19 Third parties may be unable to recover under claims brought against the Manager as the Manager is not an entity with significant assets

Third parties, in particular, Unitholders, may in future have claims against the Manager in connection with the carrying on of its duties as manager of Paradigm REIT (including in relation to the Offering and this Prospectus).

Under the terms of the Deed, the Manager is indemnified from the Deposited Property against any actions, costs, claims, damages, expenses or demands to which it may be put as the manager of Paradigm REIT unless occasioned by the fraud, negligence, wilful default or breach of the Deed by the Manager. In the event of any such fraud, negligence, wilful default or breach, only the assets of the Manager itself and not the Deposited Property would be available to satisfy a claim.

5.3 RISKS RELATING TO AN INVESTMENT IN THE UNITS

5.3.1 The actual performance of Paradigm REIT and the Subject Properties could differ materially from the forward-looking statements in the Prospectus

This Prospectus contains forward-looking statements regarding, among others, forecast distribution/yield levels for the Forecast Period 2025. These forward-looking statements are based on a number of assumptions which are deemed to be reasonable as at the date of this Prospectus and subject to uncertainties and contingencies which are outside of the Manager's control. As the actual results may differ materially from the forecasts, investors are advised to read and understand the assumptions, uncertainties and contingencies underlying the profit forecasts as set out in Section 4.5.2 "Bases and Assumptions" of this Prospectus. Paradigm REIT's ability to achieve the forecast distributions to Unitholders and/or yields is subject to events and circumstances assumed which may not occur as expected, or events and circumstances not anticipated which may arise.

No assurance can be given that the assumptions will be realised and the actual distributions to the Unitholders and/or yields will be as forecasted.

5. RISK FACTORS (Cont'd)

In addition, certain forward-looking statements regarding Paradigm REIT are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. The inclusion of a forward-looking statement in this Prospectus should not be regarded as a representation or warranty by the advisers or the Manager, that the plans and objectives of Paradigm REIT will be achieved.

5.3.2 Paradigm REIT's Pro Forma Statement of Financial Position and Pro Forma Statement of Comprehensive Income included in the Prospectus may not reflect the actual financial position and results

Paradigm REIT's Pro Forma Statement of Financial Position have been prepared to show the effects of the Acquisitions, based on the assumption that the events had been effected on the date of establishment of Paradigm REIT. As Paradigm REIT's Pro Forma Statement of Financial Position are prepared for illustrative purposes only, such information, because of its nature, do not give a true picture of the effects of the formation of Paradigm REIT on the financial position of Paradigm REIT had the events occurred on the date of establishment of Paradigm REIT. Further, such information does not purport to predict Paradigm REIT's future financial position.

Paradigm REIT's Pro Forma Statement of Comprehensive Income included in this Prospectus has been prepared on an aggregate basis as if the Subject Properties have been operated under Paradigm REIT throughout and as at the periods and dates presented. The Pro Forma Statement of Comprehensive Income is also not necessarily indicative of the results of operations that would have been attained had Paradigm REIT actually existed earlier.

Please refer to Sections 4.1 and 4.2 of this Prospectus for further details on Paradigm REIT's Unaudited Pro Forma Statement of Comprehensive Income and Pro Forma Statement of Financial Position.

5.3.3 Paradigm REIT may not be able to make distributions to Unitholders or the level of distributions may fall

Distributable Income is dependent on:

- (i) the NPI earned from real estate investments which depends on, among others,
 - (a) the amount of Gross Rental Income and other property income received; and
 - (b) the level of property expenses incurred; and
- (ii) the trust level expenses of Paradigm REIT, such as Management Fees and financing costs.

If the Subject Properties do not generate sufficient Distributable Income and cash flows, Paradigm REIT's ability to make distributions to the Unitholders could be adversely affected.

No assurance can be given as to Paradigm REIT's ability to pay or maintain distributions. Neither is there any assurance that the level of distributions will increase over time, that there will be contractual increases in rent under the tenancies of the Subject Properties or that the receipt of Gross Rental Income in connection with expansion of the properties or acquisitions of properties will increase Paradigm REIT's cash flow available for distribution to the Unitholders.

5. RISK FACTORS (Cont'd)

5.3.4 The NAV per Unit may be diluted if further issues are priced below the then current NAV per Unit

The Deed contemplates new issues of Units, the offering price for which may be above, at or below the then current NAV per Unit. The NAV per Unit may be diluted if new Units are issued and the use of proceeds from such issue of Units generates insufficient cash flow to cover the dilution. Where new Units, including Units which may be issued to the Manager in payment of the Management Fee, are issued at less than the NAV per Unit, the then current NAV per Unit may be diluted.

5.3.5 Unitholders who do not or are not able to participate in future equity financing by Paradigm REIT will experience a dilution of their interest in Paradigm REIT

If Unitholders do not or are not able to participate in any future equity fund raising, such as rights issues or private placements, their proportionate interest in Paradigm REIT will be reduced. Any consideration received by such Unitholders for the sale of their rights under future equity fund raisings may not be sufficient to compensate for the dilution of their unitholdings as a result of the equity fund raising.

5.3.6 The price of the Units may decline after the Listing

The Final Retail Price and the Institutional Price may not be indicative of the market price for the Units upon completion of the Listing. The trading price of the Units will depend on many factors, including, but not limited to:

- (i) the perceived prospects of Paradigm REIT's business and investments and the market for Real Estate Assets;
- (ii) differences between Paradigm REIT's actual financial and operating results and those expected by investors and analysts;
- (iii) changes in analysts' recommendations or projections (if any);
- (iv) changes in general economic or market conditions;
- (v) market value of Paradigm REIT's assets;
- (vi) perceived attractiveness of the Units against those of other equity or debt securities, including those not in the real estate sector;
- (vii) balance of buyers and sellers of the Units;
- (viii) size and liquidity of the Malaysian REIT market;
- (ix) any changes to the regulatory system, including the accounting standards and tax system, both generally and specifically in relation to Malaysian REITs;
- (x) ability on the Manager's part to implement successfully its investment and growth strategies; and
- (xi) broad market fluctuations, including increases in interest rates and weakness of the equity and debt markets.

Units may trade at prices that are higher or lower than the NAV per Unit. To the extent that Paradigm REIT retains operating cash flow for investment purposes, working capital reserves or other purposes, these retained funds, while increasing the value of the Total Asset Value of Paradigm REIT and NAV, may not correspondingly increase the market price of the Units. Any failure to meet market expectations with regards to future earnings and cash distributions may adversely affect the market price for the Units.

5. RISK FACTORS (Cont'd)

Where new Units are issued at less than the market price of the Units, the value of an investment in Units may be affected. The Units are not capital-protected/guaranteed products. There is no guarantee that Unitholders can regain the amount invested. If Paradigm REIT is terminated or liquidated, investors may lose a part or all of their investment in the Units.

5.3.7 Volatility in market and economic conditions may affect the price and demand for the Units

Volatility in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of, and demand for, the Units. In particular, an increase in market interest rates may have an adverse impact on the market price of the Units if the annual yield on the price paid for the Units gives investors a lower return compared to other investments.

There can be no assurance that the performance of the Malaysian securities markets will continue to improve. The Malaysian securities markets are smaller than certain other international securities markets. Malaysian stock exchange has in the past experienced substantial fluctuations in the prices of listed securities.

5.3.8 Property yield on Real Estate to be held by Paradigm REIT is not equivalent to distribution yield on the Units

Generally, property yield depends on NPI and is calculated as the amount of revenue generated by the properties, less the expenses incurred in maintaining, operating, managing and leasing the properties compared against the current value of the properties.

Distribution yield on the Units, however, depends on the distributions payable on the Units, after taking into account other expenses including (i) taxes; (ii) interest cost for the debt facilities; (iii) the Manager's fees, property management fees and Trustee's fees; and (iv) other operating costs including administrative fees of Paradigm REIT, as compared with the purchase price of the Units.

5.3.9 The laws, regulations and accounting standards in Malaysia may change, including the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs

Paradigm REIT may be affected by the introduction of new or revised legislation, regulations or accounting standards. Accounting standards in Malaysia are subject to change as they are further aligned with international accounting standards. The financial statements of Paradigm REIT may be affected by the introduction of such revised accounting standards. The extent and timing of these changes in accounting standards are unknown and subject to confirmation by the relevant authorities.

There can be no assurance that these changes will not:

- (i) have a significant impact on the presentation of Paradigm REIT's financial statements;
- (ii) have a significant impact on Paradigm REIT's results of operations;
- (iii) have an adverse effect on the ability of Paradigm REIT to make distributions to the Unitholders;
- (iv) have an adverse effect on the ability of the Manager to carry out Paradigm REIT's investment strategy; or
- (v) have an adverse effect on the operations and financial condition of Paradigm REIT.

5. RISK FACTORS (Cont'd)

Paradigm REIT may also be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs. There can be no assurance that new or revised legislation, regulations, guidelines or directives will not adversely affect REITs in general or Paradigm REIT specifically and hence have a corresponding adverse effect on the Unitholders.

5.3.10 The RM may be subject to exchange controls

From 1998 to 2005, BNM maintained a fixed exchange rate of RM3.80 to USD1.00. In 2005, BNM removed the peg and allowed the RM to operate in a managed float, with the value of the currency being determined by various economic factors. There can be no assurance that Bank Negara Malaysia will, or would be able to, intervene or maintain this managed float system in the future or that any such intervention or managed float system would be effective.

Furthermore, there can be no assurance that the Government will not impose more restrictive or other exchange controls. Any further imposition, variation or removal of exchange controls may adversely affect the market price of the Units or the ability of investors to repatriate the proceeds of any distributions or from the sale of any Units out of Malaysia.

5.3.11 Foreign investment in Malaysian assets may be subject to further controls

Foreign investment in Malaysian assets is regulated and monitored by the Economic Planning Unit of the Prime Minister's Department ("EPU"). Currently, there is no restriction imposed on foreign investment in REITs which invest in Malaysian assets. However, there can be no assurance that the EPU and/or the Government will not impose any restrictive or other controls relating to foreign investment in Malaysian assets. Any imposition or variation of such controls may affect Unitholders' ability to sell the Units to foreign parties and may affect the liquidity of the Units. Such conditions may also limit Paradigm REIT's access to future sources of equity capital.

5.3.12 No right for Unitholders to request for redemption of their Units

Unitholders have no right to request the Manager to redeem their Units while the Units are listed on the Main Market. Accordingly, apart from selling their Units through trading on the Main Market, Unitholders may not be able to realise their investments in the Units.

5.3.13 The Units have never been publicly traded such that the listing of the Units on the Main Market may not result in an active or liquid market for the Units

There is no public market for the Units prior to the Offering and an active public market for the Units may not develop or be sustained after the Listing. Bursa Securities' approval for the admission of all the issued Units to the Official List of the Main Market and for permission to deal in and the listing and quotation of all the issued Units was obtained on 14 April 2025. However, listing and quotation does not guarantee that a trading market for the Units will develop or, if a market does develop, the liquidity of that market for the Units. Prospective Unitholders must be prepared to hold their Units for an indefinite length of time.

5.3.14 Failure in the Listing may result in refund monies without interest

The Listing is exposed to the risk that it may fail should any one or more of the following events occur:

- (i) the Managing Underwriter, Joint Underwriter, Lead Bookrunner and Joint Bookrunner exercise their rights pursuant to the Retail Underwriting Agreement and the Placement Agreement, respectively, to discharge themselves from their obligations under the respective agreements;

5. RISK FACTORS (Cont'd)

- (ii) Paradigm REIT is unable to meet the Public Spread Requirements at the point of Listing or such other minimum public unitholding spread as may be approved by Bursa Securities; or
- (iii) Financing Bank exercises its rights pursuant to the Facilities to discharge itself from the obligations under the Facilities.

If the Offering is not completed and/or the Manager decides in its absolute discretion not to proceed with the Listing, any monies paid in respect of all applications under the Retail Offering will be refunded without interest.

5.3.15 There can be no assurance that the Units will remain listed on Bursa Securities and/or not be suspended from trading

Although it is intended that the Units will remain listed on Bursa Securities, there is no guarantee of the continued listing of the Units. Among others, Paradigm REIT may not continue to satisfy the Public Spread Requirements. Accordingly, Unitholders will not be able to sell their Units through trading on Bursa Securities if the Units are no longer listed on Bursa Securities and/or are suspended from trading for an indefinite period.

6. THE MANAGER

6.1 CORPORATE INFORMATION

The Manager, Paradigm REIT Management Sdn Bhd (Registration No. 201901023858 (1333187-V)), was incorporated in Malaysia under the Companies Act on 8 July 2019. As at the LPD, it has an issued share capital of RM3.3 million comprising 3,300,000 ordinary shares.

A summary of the Manager's audited financial performance for the past 3 financial years being the FYE 2022 to the FYE 2024, are set out in the table below:

	FYE 2022	FYE 2023	FYE 2024
	RM	RM	RM
Paid-up share capital	1	1	1,100,000
Accumulated losses	(19,182)	(38,134)	(59,795)
Revenue	-	-	-
Loss before tax / loss after tax	(7,694)	(18,952)	(21,661)
Shareholders' funds	(19,181)	(38,133)	1,040,205

The principal activity of the Manager is to manage Paradigm REIT. The Manager is an 80.0% jointly-controlled entity of the Sponsor. The Manager is a CMSL holder, authorised to carry out fund management activities in relation to asset management restricted to REITs. As at the date of this Prospectus, the Manager only manages Paradigm REIT.

6.2 FUNCTIONS, DUTIES AND RESPONSIBILITIES OF THE MANAGER

The Manager shall, subject to the provisions of the Deed and the Relevant Laws and Requirements, carry out all activities as it may deem necessary for the management of Paradigm REIT and its business. The Manager's main responsibility is to manage activities in relation to Paradigm REIT.

The Manager shall, in managing Paradigm REIT, undertake primary management activities in relation to Paradigm REIT, including but not limited to overall strategy, new acquisition and disposal analysis, marketing and communications, individual asset performance and business planning, market performance analysis and other activities as provided under the Deed.

The Manager's functions, duties and responsibilities shall include the following:

- (i) to carry on and conduct its business in a proper, diligent and efficient manner and ensure that Paradigm REIT is managed and administered in a proper, diligent and efficient manner and in accordance with the Deed and the Relevant Laws and Requirements and in accordance with acceptable and efficacious business practices in the real estate investment industry;
- (ii) to exercise the degree of care and diligence that a reasonable person would exercise in the position of a management company and effectively employ the resources and procedures necessary for the proper performance of Paradigm REIT;
- (iii) to observe high standards of integrity and fair dealing in managing Paradigm REIT to the best and exclusive interest of the Unitholders;
- (iv) not to manage any other REIT which invests in the same type of properties as Paradigm REIT;
- (v) not to take on, lease or otherwise acquire, any immovable property or any interest therein, except for the purposes of operating Paradigm REIT and those entered into in the ordinary course of business;

6. THE MANAGER *(Cont'd)*

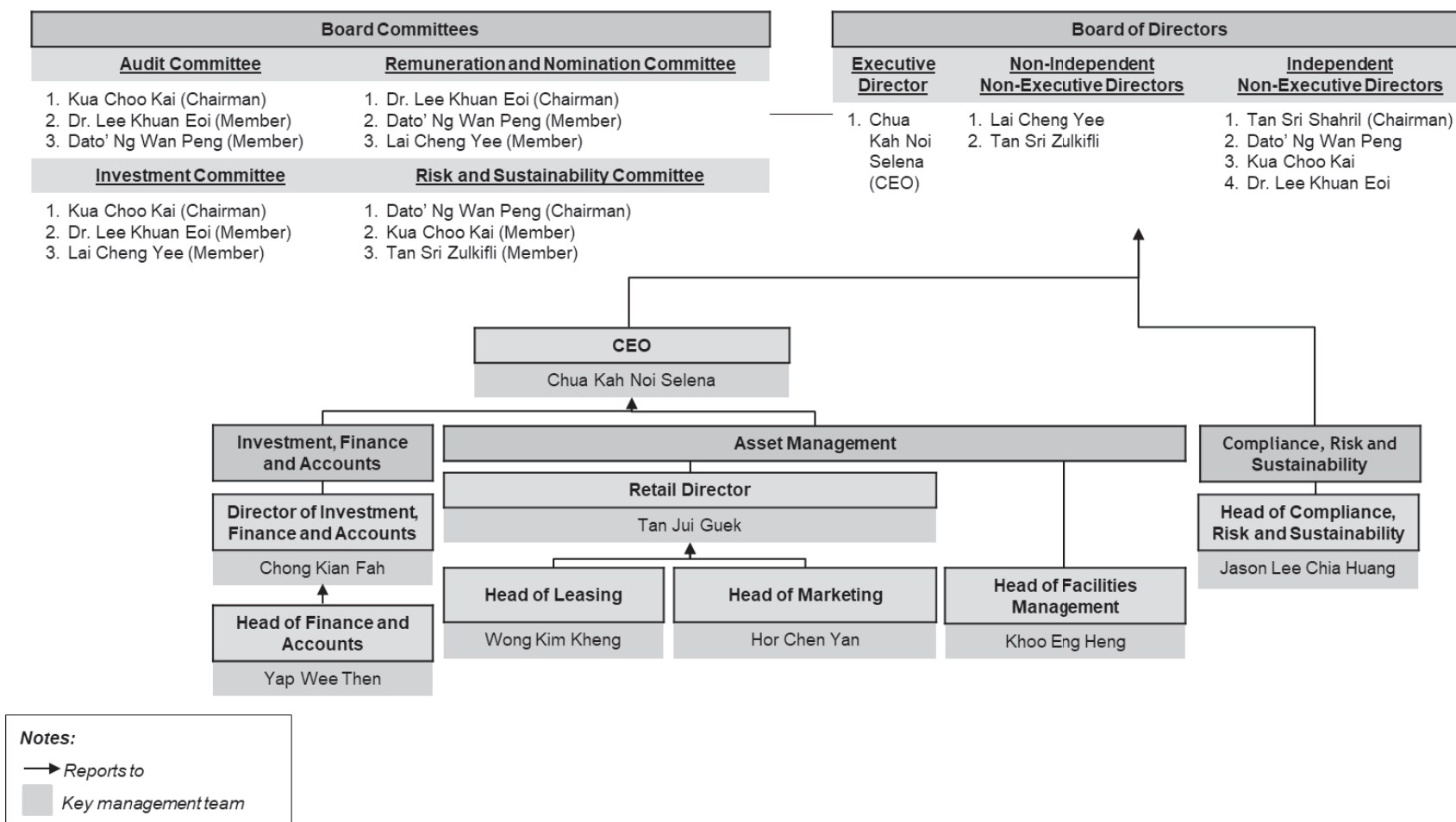
- (vi) not to make improper use of its position in, or information acquired through, managing Paradigm REIT to gain, directly or indirectly, an advantage for itself or for any other person or to cause detriment to the interest of the Unitholders and to ensure that its officers and delegates comply with the same;
- (vii) to submit or make available, or ensure that there is made available, to the Trustee such information as the Trustee requires with respect to all matters relating to Paradigm REIT to which the Deed relates;
- (viii) to the same extent as if the Trustee was a Director:
 - (a) to make available to the Trustee or an authorised officer or employee of the Trustee or the auditor of Paradigm REIT appointed by the Trustee ("**Auditor**"), for inspection, the whole of the books and records of the Manager in relation to Paradigm REIT wherever kept;
 - (b) to make available to the Trustee or an authorised officer or employee of the Trustee or the Auditor, for inspection, all financial and other records of Paradigm REIT wherever kept; and
 - (c) to give to the Trustee or an authorised officer or employee of the Trustee or the Auditor such oral or written information, explanation or other assistance that they may require with respect to all matters relating to Paradigm REIT or any assets of Paradigm REIT (whether acquired before or after the date of the Deed) or otherwise relating to the affairs of Paradigm REIT;
- (ix) to ensure that Paradigm REIT has, at all times, an appointed trustee;
- (x) unless otherwise permitted by the SC and the provisions of the Valuers, Appraisers, Estate Agents and Property Managers Act 1981, to appoint a property manager which has been approved by the Trustee to manage Real Estate held by Paradigm REIT and which possesses adequate human resources with the necessary qualifications, expertise and experience in real estate management;
- (xi) to ensure that all Real Estate held by Paradigm REIT is kept in good repair, that all valid notices from and requirements of proper authorities in relation thereto are observed and complied with and that they are let and otherwise dealt with to the best advantage;
- (xii) to insure and keep insured in the name of the Trustee for such amounts as may be recommended by a qualified independent valuer appointed by the Trustee against fire, explosion, storm, tempest, flood, lightning and other usual risks including loss of rent where applicable on all Real Estate comprised in the assets of Paradigm REIT and on request by the Trustee, produce for the inspection of the Trustee all insurance policies effected;
- (xiii) to furnish the Trustee with a copy of all announcements that the Manager makes to Bursa Securities as soon as practicable after the announcement is made to Bursa Securities;
- (xiv) to take all necessary steps to ensure that the assets of Paradigm REIT are adequately protected and properly segregated;
- (xv) to take all reasonable steps and exercise due diligence to ensure that the assets of Paradigm REIT and the Units are correctly valued in accordance with provisions of the Deed and the Relevant Laws and Requirements;

6. THE MANAGER *(Cont'd)*

- (xvi) for the purpose of valuing the assets of Paradigm REIT, to not do or omit anything that would or might confer on itself a benefit or advantage at the expense of the Unitholders or investors;
- (xvii) to account to the Trustee for any loss suffered by the fund as a result of the Manager's failure to exercise the degree of care and diligence required in operating and managing Paradigm REIT;
- (xviii) to ensure that its officers and delegates comply with any of its duties and obligations prescribed under the Relevant Laws and Requirements;
- (xix) to ensure that the assets of Paradigm REIT is clearly identified as Paradigm REIT's property and held separately from the assets of the Manager and any other fund managed by the Manager;
- (xx) to establish and maintain risk management systems and controls to enable it to identify, assess, mitigate, control and monitor risks in relation to Paradigm REIT;
- (xxi) to have adequate human resource with the necessary qualification, expertise and experience to carry on business as a management company;
- (xxii) to have adequate and appropriate systems, procedures, and processes to undertake the business in a proper, diligent and efficient manner;
- (xxiii) to pay the Trustee within 10 Market Days after its receipt, any moneys payable by it to the Trustee under the Deed;
- (xxiv) to appoint a full-time chief executive;
- (xxv) to appoint a compliance officer who must directly report to the board of directors of the Manager;
- (xxvi) to appoint an individual as a designated person responsible for the real estate portfolio management of Paradigm REIT, who must possess the necessary experience and expertise in real estate investment; and
- (xxvii) where investments of Paradigm REIT involve Real Estate located outside Malaysia:
 - (a) to ensure that it has the necessary experience, capability, resources and competence to deal with the legal and other regulatory requirements of the real estate located outside Malaysia;
 - (b) to demonstrate that it has the requisite competence, experience and resources to:
 - (A) analyse the issues and risks associated with foreign investments;
 - (B) develop, implement and keep up-to-date a set of effective internal controls and risk management systems to deal with existing and foreseeable risk associated with foreign investments; and
 - (C) inform investors in a clear, concise and timely manner of the investment profile and risk to Paradigm REIT; and
 - (c) to have a contingency plan that enables it to proactively respond to any urgent need that may arise in the course of its investment, management and divestment of such Real Estate.

6. THE MANAGER (Cont'd)

6.3 MANAGEMENT REPORTING STRUCTURE OF THE MANAGER



6. THE MANAGER (Cont'd)

6.4 DIRECTORS OF THE MANAGER

The Board is entrusted with the responsibility for the overall management of the Manager. The following table sets forth certain information regarding the Directors as at the LPD:

Name	Nationality	Position
Tan Sri Shahril Ridza Bin Ridzuan	Malaysian	Chairman/Independent Non-Executive Director
Dato' Ng Wan Peng	Malaysian	Independent Non-Executive Director
Kua Choo Kai	Malaysian	Independent Non-Executive Director
Dr. Lee Khuan Eoi	Malaysian	Independent Non-Executive Director
General Tan Sri Dato' Seri Panglima Ts Zulkifli Bin Zainal Abidin (Retired)	Malaysian	Non-Independent Non-Executive Director
Lai Cheng Yee	Malaysian	Non-Independent Non-Executive Director
Chua Kah Noi Selena	Singaporean	Executive Director/CEO

6.4.1 Experience and Expertise of the Board

Information on the business and working experience of the Directors is set out below:

- (i) **Tan Sri Shahril Ridza Bin Ridzuan**, a Malaysian aged 54, is the Chairman and Independent Non-Executive Director. He was appointed to the Board on 10 March 2025. He graduated from the University of Cambridge, United Kingdom with a Bachelor of Arts in 1992. Subsequently, he obtained a Bachelor of Civil Law from the University of Oxford, United Kingdom in 1994 and a Master of Arts from the University of Cambridge, United Kingdom in 1996. He has been called to both the Malaysian Bar and the Bar of England and Wales.

Tan Sri Shahril began his career as a Legal Assistant at Zain & Co from October 1994 to December 1996, where he practiced in the areas of corporate and commercial laws.

Subsequently, Tan Sri Shahril joined Trenergy (M) Berhad/Turnaround Managers Inc (M) Sdn Bhd in January 1997, Pengurusan Danaharta Nasional Berhad in July 1998 and SSR Associates Sdn Bhd in November 1999, where he was primarily involved in corporate restructuring and corporate recovery.

In August 2001, Tan Sri Shahril joined Malaysian Resources Corporation Berhad ("MRCB") as the Executive Director, where he was involved in the restructuring of MRCB group of companies. In 2003, he held the position of the Managing Director of MRCB, where his role included overseeing the property development and infrastructure building undertaken by MRCB group of companies. He was also responsible for the development of Kuala Lumpur Sentral into one of the main commercial centres in Malaysia.

6. THE MANAGER (*Cont'd*)

In December 2009, Tan Sri Shahril joined EPF as the Deputy Chief Executive Officer (Investments). Subsequently, from April 2013 to August 2018, he served as the Chief Executive Officer of EPF. During his tenure with EPF, he also served as a nominee director of EPF sitting on the respective boards of directors of Media Prima Berhad, Malaysia Building Society Berhad and MRCB.

In August 2018, he left EPF and joined Khazanah Nasional Berhad as the Managing Director in which he worked towards striking a balance between growing financial returns at the national sovereign fund whilst also ensuring long-term benefits for future generations of Malaysians. He left Khazanah Nasional Berhad in August 2021.

From June 2020 to March 2023, Tan Sri Shahril was appointed as the Non-Executive Director of Malaysia Airlines Berhad and Malaysia Aviation Group Berhad. As the Non-Executive Director, he was responsible for overseeing and monitoring the business performance of the companies and providing strategic guidance and support to the management team of the companies, in particular on the restructuring of the aviation business of the companies post COVID-19 pandemic.

As at the LPD, Tan Sri Shahril holds directorships in several public listed companies, namely Axiata Group Berhad (since November 2021) and Kuala Lumpur Kepong Berhad (since May 2023), each as an Independent and Non-Executive Director. As the Independent Non-Executive Director, he is responsible for overseeing board practices as well as supervising corporate governance and compliance matters of such public listed companies.

- (ii) **Dato' Ng Wan Peng**, a Malaysian aged 61, is the Independent Non-Executive Director. She was appointed to the Board on 10 March 2025. She graduated from Universiti Sains Malaysia with a Bachelor of Computer Science in 1988.

Dato' Ng began her career as a systems engineer at Uniphone Sdn Bhd in August 1988, where she was responsible for developing, managing and monitoring information and communications technology ("ICT") solutions for clients of various industries.

Dato' Ng left Uniphone Sdn Bhd in August 1991 and joined Sapura Advanced Systems Sdn Bhd as a Senior Systems Engineer, where the role that she assumed was similar to the role she had performed at Uniphone Sdn Bhd. She was subsequently promoted to the positions of the Project Manager and the Program Manager in 1993 and 1996 respectively, where her responsibilities were expanded to leading and driving the implementation of large-scale ICT projects, managing a project team to deliver ICT projects and leading and developing ICT solutions until August 1998.

In July 1998, Dato' Ng joined Multimedia Development Corporation Sdn Bhd (now known as Malaysia Digital Economy Corporation), which is the lead agency in driving and developing the digital economy in Malaysia under the Ministry of Communications and Multimedia Malaysia as the Senior Manager in the Regulation Department, where she led and drove the implementation of key digitalisation initiatives under multimedia super corridor ("MSC") flagship applications. Dato' Ng subsequently held the positions of the Vice President in the Flagship Coordinate Unit of the Regulation Department in February 2004 and the Vice President in the Capacity Development Division in November 2004, where she led and drove the development of key digital enablers, such as talent development, industry capability development, legal and regulatory, cybercities, infostructure and technology policy research. She was promoted to the position of the Chief Operating Officer in May 2009. As the Chief Operating Officer of the corporation, she led and drove the implementation of the corporation's vision and strategy and provided oversight and guidance to all business units to ensure all

initiatives or programmes planned and executed are aligned to the corporation's strategy goals. In addition, she also formulated policies and standard of procedures to drive effective decision making and execution. She left the corporation in December 2020.

In February 2021, Dato' Ng joined Big Bad Wolf Ventures Sdn Bhd, a company engaged in retail and wholesale business in Malaysia and abroad as the President, where she was tasked to lead and drive the group's technology and digital transformation to achieve the group's business expansion. Subsequently, Dato' Ng retired in October 2022.

In January 2022, Dato' Ng was appointed as a director of Digital Penang Sdn Bhd, a company owned by the State of Penang to strengthen mobility, connectivity and digital infrastructure in Penang, where Dato' Ng is responsible to impart her views and guidance to the State in relation to e-commerce ecosystem, financial technology ecosystem and digital transformation.

As at the LPD, Dato' Ng holds directorships in several public listed companies, namely Securemetric Berhad (since May 2021), Fraser & Neave Holdings Berhad (since January 2022), Iris Corporation Berhad (since February 2022) and Autocount Dotcom Berhad (since April 2022), each as an Independent and Non-Executive Director. As the Independent and Non-Executive Director, she is responsible for overseeing board practices as well as supervising corporate governance and compliance matters of such public listed companies.

- (iii) **Mr. Kua Choo Kai**, a Malaysian aged 65, is the Independent Non-Executive Director. He was appointed to the Board on 10 March 2025.

Mr. Kua graduated from the Monash University, Australia with a Bachelor of Economics in 1983. Subsequently he obtained a Master of Business Administration from the University of Bath (in association with The Malaysian Institute of Management) in 1995. He is a member of the Malaysian Institute of Accountants since 1988, a member of the Malaysian Institute of Certified Public Accountants since 1996 and a member of the Australian Society of Certified Practising Accountants (now known as CPA Australia) since 1983 and thereafter a fellow member since 1998. Mr. Kua was also a Certified Information Systems Auditor of the Information Systems Audit and Control Association from 2001 to 2020 and a member of the Association of Nutritional Medicine Practitioners, Malaysia from 2010 to 2023.

Mr. Kua began his career with Ernst & Whinney (Malaysia) (now known as Ernst & Young PLT) in January 1983 as a Junior Audit Assistant, where his responsibilities included reviewing and verification of assets and liabilities, physical stock attendance and reviewing of statutory records. In October 1984, he was promoted to the position of an Audit Assistant, where he was involved in financial audits of small and medium sized companies in the plantation, manufacturing, retail and trading sectors. In May 1986, he advanced to the position of an Audit Senior, where he undertook larger audit assignments. In January 1987, Mr. Kua was transferred to the Management Consultancy Services Department and subsequently appointed as a Consultant, where his role involved management and operation reviews of companies in the plantation, property and manufacturing sectors.

In September 1987, Mr. Kua was seconded to Ernst & Young's London office and held the position of a Computer Audit Senior and subsequently promoted to the position of a Computer Audit Supervisor in September 1988, where he was involved in computer security review of mainframe computers and mini-computers of some of the largest computer installation in Europe.

In May 1989, Mr. Kua returned to Malaysia and held the position of an Audit Assistant Manager in Ernst & Whinney (Malaysia) (now known as Ernst & Young PLT), where he was involved in audit work. In December 1989, Mr. Kua was transferred to the Management Consultancy Services Department, where he held the position of a Senior Consultant and subsequently promoted to the position of a Manager and a Senior Manager in January 1991 and January 1992 respectively. During his tenure with Ernst & Young PLT, he was the project manager for various assignments in the areas of financial and management process improvement, strategic planning, organisation reviews and privatisation feasibility studies.

In January 1994, Mr. Kua returned to mainstream audit and he was subsequently promoted to the position of the Principal in January 1995, where he served a number of diversified public listed companies involved in investment holdings, property development, manufacturing, construction, retail and trading. In July 1997, Mr. Kua was promoted to the position of a Partner and underwent an expatriate secondment to Ernst & Young's London and Cleveland offices, where he was involved in risk management services and business risk framework methodology development.

In April 1998, Mr. Kua returned to Malaysia and was appointed as the Head of Advisory Services Division of Ernst & Young PLT, where he was involved in the start-up of the risk and assurance business services in Ernst & Young PLT. In June 2005, he returned to the Assurance Department and was the engagement partner in charge of assurance services for several large conglomerate and multinational corporations. In June 2020, he retired as a Partner of Ernst & Young PLT and assumed the role of the Consultant from July 2020 to December 2020 under Ernst & Young Advisory Services Sdn Bhd.

As at the LPD, Mr. Kua holds directorships in several public listed companies, namely Cengild Medical Berhad (since May 2021), REDtone Digital Berhad (since February 2022), Berjaya Land Berhad (since June 2023) and UEM Edgenta Berhad (since November 2023), each as an Independent and Non-Executive Director. As the Independent and Non-Executive Director, he is responsible for overseeing the board practices as well as supervising corporate governance and compliance matters of such public listed companies.

- (iv) **Dr. Lee Khuan Eoi**, a Malaysian aged 69, is the Independent Non-Executive Director. She was appointed to the Board on 10 March 2025.

Dr. Lee graduated from the University of Malaya with a Bachelor of Accounting (First Class Honours) in 1979. Subsequently, she obtained a Master of Business Administration (Finance) from the University of Hull, United Kingdom in 1993. She further obtained a Doctor of Business Administration from the University of Newcastle, Australia in 2006. She also completed the Certified Business Coach Training Programme with the University of Malaya in 2009. She became a member of Asian Institute of Chartered Bankers in 1980 and admitted as a member of the Malaysian Institute of Accountants since 1982. She obtained her qualification as a Chartered Management Accountant in 2018. She is also a Chartered Financial Analyst charterholder since 2000 and a Project Management Professional certified by the Project Management Institute, United States since 2013.

Dr. Lee began her career as a trainee at OCBC Bank (Malaysia) Berhad in May 1979, where she was assigned to various departments within the bank. Subsequently, she held the position of an officer in the Accounts Department, where she was responsible for verifying and approving the bank's inter-branch transactions.

Dr. Lee left OCBC Bank (Malaysia) Berhad in September 1981 and joined The Chase Manhattan Bank, Kuala Lumpur (now known as J.P. Morgan Chase Bank Berhad) as a trainee and subsequently an Assistant Treasurer in the Corporate and Investment Banking Division, where her role included identifying, originating, executing and closing sales opportunities for corporate banking and financial products and services. In 1990, she was promoted to the position of the Assistant Vice President of the Corporate and Investment Banking Division, where she led a team of officers to provide corporate banking offering, solutions and products, as well as investment banking products to corporate clients.

In 1990, Dr. Lee was transferred to Chase Manhattan Asia Ltd, Hong Kong as the Vice President of Corporate Finance Division, where she led the execution of various corporate and investment banking transactions in Jakarta by preparing reports, application for credit approval and coordinating with different teams to ensure timely closing of the corporate loan and financing transactions.

In July 1992, Dr. Lee returned to The Chase Manhattan Bank, Kuala Lumpur as the Vice President of Global Financial Services and Investment Banking where her role was leading and managing a team of officers to provide corporate and investment banking solutions for financial institutions and corporate clients until her departure from the bank in October 2001.

In November 2001, Dr. Lee joined MMC Corporation Berhad as the General Manager of Corporate Planning, and subsequently in July 2008 as the Senior General Manager of Corporate Planning, where she was involved in managing and overseeing the banking and financing transactions as well as corporate finance transactions of the company and its group of companies. She held the positions of the Director of Corporate Planning in May 2010 and the Director of Corporate Strategy in May 2011, where she was responsible for overseeing the corporate planning activities of the company and its group of companies (collectively, the “**MMC Group**”). Subsequently, in January 2014, she held the position of the Director of Group Treasury and was tasked to manage the treasury function of the MMC Group, including overseeing the financial operations and the liquidity and cash flow of the MMC Group. Dr. Lee retired from her role as the Director Group Treasury in September 2022.

As at the LPD, Dr. Lee does not hold any directorship in any public listed company.

- (v) **General Tan Sri Dato’ Seri Panglima Ts Zulkifli Bin Zainal Abidin (Retired)**, a Malaysian aged 66, is the Non-Independent Non-Executive Director. He was appointed to the Board on 19 August 2024.

Tan Sri Zulkifli graduated from the Swansea Institute of Higher Education (an associated college of the University of Wales, United Kingdom) with an Advanced Diploma in Business and Management in 1995. He further obtained a Master in Management from the Asian Institute of Management, Philippines in 1998. He also completed the Senior Executives in National and International Security programme in JFK School of Government, Harvard University, United States of America in 2008. He is a chartered fellow of The Chartered Institute of Logistic and Transport since 2016, a member of the Malaysia Board of Technologists since 2019 and a fellow of the Academy of Professors Malaysia since 2022.

Tan Sri Zulkifli was commissioned in the Royal Malay Regiment since 1978. He held various commands and staff in the Army and Armed Forces, including among others, the Commanding Officer of Infantry Battalion, the Commandants of Recruit Training Centre, the Brigade Commander of the Malaysian Army and the Assistant Chief of Staff Defence Planning at the Armed Forces Headquarters. From June 2011 to June 2013, he was the 24th Chief of Army of the Malaysian Armed Forces. From June 2018 to January 2020, he was the 20th Chief of Defence Forces of Malaysian Armed Forces. Subsequently, Tan Sri Zulkifli retired in January 2020.

Tan Sri Zulkifli served as the Vice Chancellor of the National Defence University of Malaysia for 2 terms, from May 2008 to May 2010 and from June 2013 to May 2018 respectively, where he was responsible for the overall leadership, management, and administration of the university. Tan Sri Zulkifli was also a professor in the National Defence University of Malaysia from May 2017 until February 2023, where he provided guidance to the undergraduates and assists in the development and evaluation of academic and training programmes. Tan Sri Zulkifli was subsequently appointed as the Honorary Professor by the National Defence University of Malaysia on June 2023 for a 2 years period until June 2025.

As at the LPD, Tan Sri Zulkifli is the Independent Non-Executive Director of Genting Plantation Berhad (since May 2023), where he is responsible for overseeing board practices as well as supervising corporate governance and compliance matters of such company.

- (vi) **Ms. Lai Cheng Yee**, a Malaysian aged 50, is the Non-Independent Non-Executive Director. She was appointed to the Board on 20 March 2024.

Ms. Lai graduated from The Institute of Chartered Secretaries & Administrators, United Kingdom in 1999. She further obtained a Master of Economics from the University of Malaya in 2003. She is an associate member of The Institute of Chartered Secretaries and Administrators, United Kingdom since 2000. She is also a board member of Tourism Malaysia since September 2023.

Ms. Lai began her career with Diethelm (Malaysia) Sdn Bhd (now known as DKSH Malaysia Sdn Bhd) as a Credit Control Executive in 1997, where she was responsible in credit control and reconciliation of accounts. She left the company in 1998.

In 1999, Ms. Lai joined B.I.G. Industries Berhad ("**BIG**") as the Personal Assistant to the Group Managing Director, where her responsibilities included managing and overseeing the performance and operations of BIG group of companies with emphasis in planning, coordination and policies implementation. She was also actively involved in the administration and management of property development projects as well as the diversified business projects undertaken by BIG group of companies.

Subsequently in 2002, Ms. Lai was transferred internally to Bantin & Associates (an associate company of BIG) as the Administration Manager cum Company Secretary, where she was appointed as the company secretary of numerous private limited companies. She was responsible for, among others, completion and lodgment of statutory documents and preparing and coordinating directors' meetings and shareholders' meetings. She left Bantin & Associates in October 2006.

In October 2006, Ms. Lai joined Procter & Gamble Malaysia Sdn Bhd as the Personal Assistant to the Country Chief Executive Officer, where she assisted the Country Chief Executive Officer in various projects and assignments for the continuous work process improvement until March 2007.

6. THE MANAGER (Cont'd)

From February 2007 to July 2007, Ms. Lai joined Marcus Evans (M) Sdn Bhd as the Corporate Affairs Manager, where she was responsible for conducting research on the business opportunities in setting up new companies/branches within the Asia Pacific Region. She also attended to the legal and secretarial matters to ensure the compliance with the applicable company laws.

In August 2007, Ms. Lai joined Melium Sdn Bhd as the Corporate Affairs Manager, where she advised on corporate exercises and reviewed any potential business risks and opportunities of the company until August 2008.

Subsequently in August 2008, Ms. Lai joined F&N Beverage Marketing Sdn Bhd, the beverage arm of F&N Holdings Berhad, as the Corporate Planner, where she provided support to the Managing Director and the top management of the company in executing strategic plans, operational improvement, business expansion and project planning activities until October 2012.

From November 2012 to December 2015, Ms. Lai joined Khuan Choo Development Sdn Bhd, a subsidiary of Malton Berhad, as the Special Assistant to the Executive Chairman, where she provided support to the Executive Chairman on business enhancement initiatives and evaluation of new business development opportunities.

In May 2016, Ms. Lai returned to F&N Beverage Marketing Sdn Bhd, as the Head of Corporate Planning and Insights Department, where she was responsible for the management of annual budget and business planning activities as well as formulating short-term and long-term business strategies of the company.

In August 2018, Ms. Lai left F&N Beverage Marketing Sdn Bhd and joined WCT Holdings Berhad as the Director, the Executive Chairman's Office, where she was involved in assisting the Executive Chairman in overseeing the operations of the WCTH Group. In June 2024, Ms. Lai was redesignated as the Director of Concession and Hospitality Business of WCT Holdings Berhad, where she leads the hospitality and aviation division of the WCTH Group and undertakes special projects for the development of new businesses for the WCTH Group.

As at the LPD, Ms. Lai does not hold any directorship in any public listed company.

- (vii) **Ms. Chua Kah Noi Selena**, a Singaporean aged 55, is the Executive Director and the CEO of the Manager. She was appointed to the Board on 10 September 2020 and as the CEO of the Manager on 6 March 2025. She graduated from the National University of Singapore with a Bachelor of Science (Estate Management) in 1993.

Ms. Selena began her career as an Operation Executive at DPM Pte Ltd, where she supervised the daily operations of Parkway Parade Shopping Centre, the food court and the office tower.

In 1994, Ms. Selena left DPM Pte Ltd and joined Richard Ellis (Pte) Ltd (now known as CB Richard Ellis (Pte) Ltd) as an Assistant Manager, Retail Marketing, where she worked with retail landlords to lease their malls to suitable tenants and advised and placed retailers in suitable malls for their operations. She left CB Richard Ellis in 1999.

6. THE MANAGER (Cont'd)

Subsequently in 1999, Ms. Selena joined CapitaLand Retail Management Pte Ltd as the Retail Group Leasing Manager and promoted to the position of the Vice President, Group Leasing in April 2007 with the primary role of overseeing and managing all the leasing activities of the malls within the company and its group of companies, including Raffles' City, Plaza Singapura, Bugis Junction, Tampines Mall and Junction 8 in Singapore. She was also responsible for managing rental income and the occupancy rates of the company's assets. During her tenure with CapitaLand Retail Management Pte Ltd, she involved in the initial public offering and listing of CapitaLand Mall Trust (now known as CapitaLand Integrated Commercial Trust), being the first listed REIT in Singapore. She left the company in 2007.

In 2007, Ms. Selena joined John Little Pte Ltd as the General Manager of John Little Department Store, where she was responsible for overseeing the performance of all the stores and the growth of business of the stores in Singapore. She also involved in the development of the skincare and cosmetics concept store within the John Little Department Store.

From September 2009 to August 2012, Ms. Selena stepped down temporarily from her career to provide full-time care for her children.

In October 2012, Ms. Selena set up Synergistic Retail Consultancy and Management Pte Ltd together with her business partners, where she involved in tenant representation, assisting retailers in their concepts, design, layout, pricing and location of outlets and other retail consultancy services. Subsequently in March 2020, Ms. Selena ceased the business of Synergistic Retail Consultancy and Management Pte Ltd.

In April 2017, Ms. Selena joined WCT (S) Pte Ltd and subsequently she was transferred internally to WCT Malls Management Sdn Bhd in January 2020 as the Chief Executive Officer (Retail Division) to oversee the management of all the retail malls within the WCTH Group and WCTH's joint ventures, namely Paradigm Mall Petaling Jaya, Bukit Tinggi Shopping Centre, Paradigm Mall Johor Bahru, SkyPark Terminal in Selangor and gateway@klia2. She was also involved in the planning and development and purchase of new retail malls for the WCTH Group. During her tenure with the WCTH Group, she was involved in the planning and asset enhancement exercise undertaken for Paradigm Mall Johor Bahru, gateway@klia2 and Paradigm Mall Petaling Jaya to enhance their attractiveness, improve their occupancy rate and increase their rental income.

As at the LPD, Ms. Selena does not hold any directorship in any public listed company.

6.4.2 Directorships of the Directors in other Management Companies

As at the LPD, none of the Directors holds directorships in any other management companies.

6.4.3 Role of the Board

The Board is collectively responsible for the proper stewardship of the business of Paradigm REIT with a view to enhance long term Unitholder value and investor interests while taking into account the interests of other stakeholders and maintaining high standards of transparency, accountability and integrity.

The Directors, as stewards of the Manager and Paradigm REIT, shall exercise reasonable care, skill and diligence for a proper purpose and good faith, in the best interests of Paradigm REIT. Directors are required to keep abreast of their responsibilities as Directors and of the conduct, business activities and development of Paradigm REIT.

6. THE MANAGER *(Cont'd)*

Each Director has been appointed on the basis of their professional experience and ability to provide the proper guidance to Paradigm REIT.

The Board will have in place a set of internal controls which set out certain approval limits to facilitate operational efficiency as well as arrangements in relation to cheque signatories. To further facilitate operational efficiency, sub-limits are also delegated to various management levels.

The Audit Committee closely monitors any changes made to regulations and accounting standards. In order to keep pace with regulatory changes which have an important bearing on the Manager's or its Directors' disclosure obligations, briefing will be provided to the Directors either during Board meetings or at specially convened sessions involving relevant professionals.

Complete and adequate information is also provided by the management to the Board in a timely manner through regular updates on financial results, market trends and business developments.

There are 4 Directors who are non-executive and independent. This allows the management to benefit from their external, diverse and objective perspective on issues that are brought before the Board to facilitate the making of informed and critical decisions.

The above would also enable the Board to interact and work with the management through a robust exchange of ideas and views to help shaping the strategic process. This, together with clear identifiable roles of the Chairman of the Board and the CEO of the Manager, provides a healthy professional relationship between the Board and the management, with clarity of roles and robust oversight as they deliberate on business activities of the Manager.

The positions of Chairman of the Board and CEO of the Manager are separately held by 2 different individuals so as to promote accountability and facilitate division of responsibilities between them. In this regard, no one individual can influence the Board's discussions and decision making. The Chairman of the Board is Tan Sri Shahril Ridza Bin Ridzuan, while the CEO of the Manager is Chua Kah Noi Selena.

The responsibilities of the Chairman include, but are not limited to, the following:

- (i) providing leadership for the Board so that the Board can perform its responsibilities effectively;
- (ii) setting the Board meeting agenda and ensuring that Board members receive complete and accurate information in a timely manner;
- (iii) leading Board meetings and discussions, including encouraging active participation from Board members and allowing dissenting views to be freely expressed;
- (iv) managing the interaction between the Board and the management;
- (v) ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;
- (vi) leading the Board in establishing and monitoring good corporate governance practices in the Manager;
- (vii) presiding as the Chairman at every general meeting; and
- (viii) other responsibilities as assigned by the Board from time to time.

6. THE MANAGER (Cont'd)

Please refer to Section 6.5.2 “Roles of the Key Management Personnel of the Manager – CEO” of this Prospectus for the responsibilities of the CEO.

The Board has direct access to the advice and services of senior management and the company secretary. The Board may seek independent professional advice on any matter connected with the discharge of its responsibilities as it may deem necessary and appropriate.

Audit Committee

The Audit Committee comprises Kua Choo Kai, Dr. Lee Khuan Eoi and Dato' Ng Wan Peng. Kua Choo Kai is the Chairman of the Audit Committee.

The key duties and responsibilities of the Audit Committee are:

- (i) to provide independent oversight of Paradigm REIT's financial information including the quarterly financial results, the year-end financial statements and the audited financial statements and ensure adherence to all regulatory and accounting disclosures and applicable accounting standards, focusing on:
 - (a) any changes in or implementation of major accounting policies and practices;
 - (b) the going concern assumption;
 - (c) significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions and how these matters are addressed; and
 - (d) compliance with the applicable approved accounting standards and other legal requirements;
- (ii) to review and report the related party transactions and conflict of interest situations that arose, persist or may arise within the Manager and Paradigm REIT, including any transaction procedure or course of conduct that raises questions on management's integrity, and the measures taken to resolve, eliminate or mitigate such conflicts;
- (iii) to ensure that the Manager has clear lines drawn with respect to the use of the assets of the Manager and Paradigm REIT, and related party transactions;
- (iv) to prepare Audit Committee report for inclusion in the annual report of Paradigm REIT;
- (v) to review the procedures for detecting fraud and whistle-blowing and ensuring that arrangements are in place whereby employees may, in confidence, raise concerns or any possible improprieties in the matters of financial reporting, financial control or any other matters;
- (vi) to oversee the Manager and Paradigm REIT's internal compliance and control systems established by the management of the Manager, including reviewing the effectiveness of these systems;
- (vii) to carry out any other functions that may be mutually agreed upon by the Audit Committee and the Board which would be beneficial to the Manager and Paradigm REIT and to ensure the effective discharge of the Audit Committee's duties and responsibilities;
- (viii) to recommend the appointment and re-appointment of external auditors and scope of external audit.

6. THE MANAGER (Cont'd)

The Audit Committee shall make recommendation to the Board on the appointment and re-appointment of the external auditors and shall consider, among others, the adequacy of the experience, resource capacity, audit fee and other relevant considerations of the external auditors. The Audit Committee shall also review (if any) letter of resignation or dismissal of external auditor.

The Audit Committee shall review with the external auditors its audit plan and evaluation of the system of internal controls. The Audit Committee shall also review the external auditors' audit reports and issues and reservations arising from their interim and final audits. The Audit Committee shall assess the independence and the performance of external auditors including obtain written assurance from the external auditors confirming they are and have been independent throughout the conduct of audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The Audit Committee shall review external auditors' findings arising from audits, particularly any comments and responses in management letters as well as the assistance given by the employees of the Manager, the Property Manager and/ or other service providers in order to be satisfied that the appropriate action is being taken; and

- (ix) to appoint internal auditors and scope of internal audit.

The Audit Committee shall review the adequacy of the scope, functions, independence, competency and resources of the internal audit function and that it has the necessary authority to carry out its work.

The Audit Committee shall review the internal audit plan, processes, the results of internal audit assessments and investigations undertaken, and whether or not appropriate action is taken in response to the audit findings.

The Audit Committee shall evaluate the adequacy, efficiency and effectiveness of the internal controls and the appropriateness of the accounting policies adopted by Paradigm REIT.

The Audit Committee shall review internal audit program and findings arising from the audits and the performance of the internal audit function and report to the Board when necessary.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee comprises Dr. Lee Khuan Eoi, Dato' Ng Wan Peng and Lai Cheng Yee. Dr. Lee Khuan Eoi is the Chairman of the Remuneration and Nomination Committee.

The key duties and responsibilities of the Remuneration and Nomination Committee are as follows:

Remuneration Matters

- (i) to recommend to the Board for approval the adoption of remuneration framework for the Board and key senior management. The remuneration packages and benefits granted under the remuneration framework should be aligned with the business strategy and long-term objectives of the Manager and/or Paradigm REIT;
- (ii) to review the performance of and recommend to the Board the annual total remuneration packages of executive directors and key senior management;

6. THE MANAGER (Cont'd)

- (iii) to assess and ensure that the remuneration of the executive directors and key senior management is determined according to individual performance including the management of material sustainability risks and opportunities, the Manager's operating performance and comparable market statistics information;
- (iv) to review and recommend the remuneration packages of non-executive directors to the Board and to ensure the remuneration packages are aligned with business strategy and also reflect the responsibilities of the Board;
- (v) to introduce any policy or guidelines which would enable the smooth administration and effective discharge of the Remuneration and Nomination Committee's duties and responsibilities; and
- (vi) to review and make recommendations on any other matters related to remuneration as may be referred by the Board from time to time.

Nomination Matters

- (i) to determine the core competencies and skills required by directors to best serve the business and operations of the Manager as a whole;
- (ii) to assess and recommend to the Board candidates for appointment to the Board and Board committees. The Remuneration and Nomination Committee shall consider candidates proposed by the management, substantial Unitholder, Board members or independent sources. In making its recommendations, the Remuneration and Nomination Committee shall evaluate candidates based on the fit and proper criteria set out in the "Fit and Proper Policy" of the Manager and also any other criteria which the Remuneration and Nomination Committee deems necessary from time to time including but not limited to factors such as the skills, knowledge, expertise, experience, competence, character, integrity, time commitment and independence of the candidates in line with the Manager's policy, diversity in gender, age, culture and socio-economic background and number of directorships. In the case of candidates for the position of independent non-executive director, the Remuneration and Nomination Committee shall ensure that the requirements for independent director stipulated under the REIT Guidelines are complied with. The Remuneration and Nomination Committee shall also ensure that the directors appointed are able to devote the required time to serve the Board effectively and consider the existing Board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the Manager should be avoided;
- (iii) to recommend to the Board on the change in the composition of the committees of the Board;
- (iv) to review the Board structure, size and composition as and when necessary having regard to the nature of the Manager's operations and the core competencies that directors should bring to the Board. This includes the review of the mix of skills, experience, diversity and other qualities of directors including core competencies which directors should bring to the Board;
- (v) to assess on an annual basis, the independence of independent directors especially in the case of retaining an independent director who continues to serve on the Board as an independent director for a cumulative term of 9 years and to make the recommendation to the Board on the retention of the independent director, if required. The tenure of an independent directors shall not exceed a term limit of 9 years. Upon completion of 9 years, an independent director may continue serving on the Board as a non-independent director;

6. THE MANAGER (Cont'd)

- (vi) to perform annual performance assessment on the effectiveness of the Board as a whole, including the performance and contribution of each individual director. An external independent professional consultant shall be engaged at least once every 3 years and/or whenever the Remuneration and Nomination Committee deemed necessary, to facilitate an objective and candid board evaluation;
- (vii) to introduce such regulations, guidelines, policies and/or procedures to function effectively and fulfil the Remuneration and Nomination Committee's objectives;
- (viii) to review and determine the training needs of directors and orientation needs of new directors and to recommend relevant training programs;
- (ix) to review the succession plans for directors and key senior management to ensure that an appropriate balance of skills and experience for Paradigm REIT's business is maintained;
- (x) to periodically review the Fit and Proper Policy and making any changes as and when the Remuneration and Nomination Committee deemed fit, and recommend any such changes to the Board for consideration and approval;
- (xi) to identify and recommend to the Board for its approval, candidates for key senior management; and
- (xii) such other duties or functions as may be delegated by the Board or required by regulatory authorities.

Risk and Sustainability Committee

The Risk and Sustainability Committee comprises Dato' Ng Wan Peng, Kua Choo Kai and General Tan Sri Dato' Seri Panglima Ts Zulkifli Bin Zainal Abidin (Retired). Dato' Ng Wan Peng is the Chairman of the Risk and Sustainability Committee.

The key duties and responsibilities of the Risk and Sustainability Committee are as follows:

Compliance and Risk Management Matters

- (i) to oversee the overall operational compliance function and to monitor operational compliance by Paradigm REIT at property level (where applicable);
- (ii) to review all compliance matters and ensure that any non-compliance with any provisions of the relevant laws, regulations and guidelines, are properly addressed;
- (iii) to conduct an annual review and periodic testing on the adequacy of Paradigm REIT's risk management framework and to ensure the risk management framework adopted by the Manager is based on an internationally recognised risk management framework;
- (iv) to establish and review Paradigm REIT's compliance and risk management guidelines and policies and ensure implementation and compliance of the objectives outlined in the Terms of Reference;
- (v) to recommend for the Board's approval of both compliance and risk management policies, strategies, key risk indicators and risk tolerance levels, and any proposed changes thereto;

6. THE MANAGER (Cont'd)

- (vi) to review and recommend Paradigm REIT's level of risk tolerance and actively identify, assess and monitor key business risks including material ESG and climate-related risks to safeguard the Unitholders' investments and Paradigm REIT's assets;
- (vii) to review the adequacy of the scope, functions, competency and resources of the Compliance, Risk and Sustainability department and ensure that it has the necessary authority and resources to carry out its work;
- (viii) to evaluate the effectiveness of the governance structure, risk management processes and support system to identify, assess, monitor and manage Paradigm REIT's key business risks, including material ESG and climate-related risks and to ensure it is continuously improved as the business environment changes;
- (ix) to review the status of the implementation of management action plans in mitigating significant risk identified;
- (x) to review and assess the effectiveness and adequacy of business continuity plan and monitoring its implementation;
- (xi) to engage management in an ongoing risk appetite dialogue as conditions and circumstances change and new opportunities arises, including ESG and climate-related considerations;
- (xii) to review the Statement on Risk Management for inclusion in Paradigm REIT's annual report; and
- (xiii) to conduct investigation on any matters within the Terms of Reference as authorised by the Board.

Sustainability Matters

- (i) to review the sustainability strategies including the sustainability pillars such as environment, social, economic and governance adopted by the Manager and performance at the Board level;
- (ii) to oversee the implementation of processes, policies, initiatives, standards and strategies designed to manage economic, social and environmental risk by:
 - (a) ensuring Paradigm REIT's compliance with its sustainability related policies and procedures;
 - (b) overseeing the material assessment undertaken to determine material sustainability matters of Paradigm REIT;
 - (c) overseeing the management processes to ensure compliance with policies, procedures and standards;
 - (d) monitoring the implementation of initiatives through periodic updates on Paradigm REIT's progress in achieving its sustainability targets/key performance indicators; and
 - (e) ensuring that the Compliance, Risk and Sustainability department has sufficient resources to perform its duties effectively;
- (iii) to monitor the sustainability key performance indicators and their implementation; and

6. THE MANAGER (Cont'd)

- (iv) to review the sustainability statement for inclusion in Paradigm REIT's annual report.

Investment Committee

The Investment Committee comprises Kua Choo Kai, Dr. Lee Khuan Eoi and Lai Cheng Yee. Kua Choo Kai is the Chairman of the Investment Committee.

The key duties and responsibilities of the Investment Committee are as follows:

- (i) to ensure Paradigm REIT is managed in strict adherence to its investment objectives, legal and regulatory requirements and industry best practices;
- (ii) to select appropriate properties to achieve the ideal yield of Paradigm REIT in accordance with the investment policies;
- (iii) to ensure that the strategies selected are properly and efficiently implemented by the Manager or the fund manager, if any; and
- (iv) to actively monitor, measure and evaluate the performance of the Manager or the fund manager, if any.

6.5 MANAGEMENT TEAM OF THE MANAGER

The key management personnel of the Manager are entrusted with the responsibility for the daily operations of the Manager. The following table sets forth information regarding the key management personnel of the Manager as at the LPD:

Name	Nationality	Position
Chua Kah Noi Selena	Singaporean	Executive Director/CEO
Chong Kian Fah	Malaysian	Director of Investment, Finance and Accounts
Jason Lee Chia Huang	Malaysian	Head of Compliance, Risk and Sustainability
Tan Jui Guek*	Malaysian	Retail Director
Khoo Eng Heng*	Malaysian	Head of Facilities Management
Yap Wee Then*	Malaysian	Head of Finance and Accounts
Wong Kim Kheng*	Malaysian	Head of Leasing
Hor Chen Yan*	Malaysian	Head of Marketing

* Appointed on 1 April 2025.

6. THE MANAGER (Cont'd)

6.5.1 Expertise and Experience of the Key Management Personnel

Save for the information of Chua Kah Noi Selena, the CEO, which is set out in Section 6.4.1(vii) of this Prospectus, the information on the business and working experience of the other key management personnel of the Manager is set out below:

- (i) **Mr. Chong Kian Fah**, a Malaysian aged 56, was appointed as the Director of Investment, Finance & Accounts of the Manager on 6 March 2025. He completed the professional examination of the Malaysian Association of Certified Public Accountants (now known as Malaysian Institute of Certified Public Accountants) ("**MICPA**") in 1995. He is a provisional member of the MICPA since 1995. He is also a member of the Malaysian Institute of Accountants since 2000.

Mr. Chong began his career as an Auditor with Ernst & Young in December 1993, where he was involved in audit work, due diligence review and consultancy services for companies in various sectors. He left Ernst & Young as a Senior Auditor in January 1999.

From January 1999 to August 1999, Mr. Chong joined Region System Sdn Bhd as an Accounts Manager, where he managed and supervised the accounting functions of the company.

Mr. Chong then joined P.Y.T. Jewel and Times Sdn Bhd ("**PYT**") as an Accountant in September 1999, where he was responsible for overseeing the accounts and finance matters of the company. During his tenure with PYT, he was involved in the initial public offering and listing of the holding company of PYT, namely Degem Berhad, on the Second Board of Bursa Securities in 2001. He was also one of the senior management of Degem Berhad until March 2006.

From April 2006 to July 2006, Mr. Chong joined Klang Hock Plastic Industries Sdn Bhd as an Accountant, where he was responsible for overseeing the accounts and finance matters of the company.

Subsequently, in September 2006, Mr. Chong joined Scomi Engineering Berhad as the Financial Controller, where he was managing and overseeing the finance and accounts matters of Scomi Engineering Berhad and its group of companies until July 2008.

In August 2008, Mr. Chong joined WCT Engineering Berhad (now known as WCT Berhad) as the Chief Accountant and was promoted to the position of the Head of Corporate Finance in January 2011. He was subsequently transferred to WCTH following an internal reorganisation exercise undertaken in July 2013. He was further promoted to the position of the General Manager, Corporate and Finance in January 2016 and the position of the Director of Corporate and Finance in January 2017, where he was responsible for overseeing and managing the accounting and financial matters of the WCTH Group and ensuring compliance with financial regulations. He was also the company secretary of the WCTH Group.

- (ii) **Mr. Jason Lee Chia Huang**, a Malaysian aged 48, was appointed as the Head of Compliance, Risk & Sustainability of the Manager on 6 March 2025. He graduated from the Royal Melbourne Institute of Technology University with a Bachelor of Business (Accounting) in 1999. He is a member of the Malaysian Institute of Accountants since 2005. He is also qualified as a Certified Information Systems Auditor by the Information Systems Audit & Control Association, United States ("**ISACA**") since 2010 and is a Professional Certified in Risk and Information Systems Control by ISACA since 2011.

6. THE MANAGER (Cont'd)

Mr. Lee began his career as an Associate in Assurance (External Audit) at Ernst & Young, Singapore in September 1999, where he was involved in audit work for companies in various sectors until December 2000.

Mr. Lee then joined PricewaterhouseCoopers Singapore Pte Ltd as a Senior Associate (External Audit) from January 2001 to January 2003, where he performed treasury and credit audits of local and offshore banks.

In February 2003, Mr. Lee returned to Malaysia and worked as an Insurance Agent for Allianz Life Insurance Malaysia Berhad and Allianz General Insurance Company (Malaysia) Berhad until April 2007.

In May 2007, Mr. Lee joined AXA Affin General Insurance Berhad as the Vice President, Internal Audit, where he led the internal auditors to perform audits of the company. In January 2011, he held the position of the Vice President, Branch Operations and Agency Management, where his role included overseeing and managing the operations of the branches and agencies of the company until December 2011.

Mr. Lee then joined CIMB Investment Bank Berhad in January 2012 as a Senior Manager, Group Internal Audit Division and was redesignated to the position of Assistant General Manager, Group Internal Audit Division in July 2012, where he was responsible for overseeing and managing the operations of the headquarters of the bank, including human resources, administration and legal functions as well as similar matters for the CIMB Foundation. He was also involved in overseeing the operations and internal controls of the insurance segment of the bank, namely CIMB Aviva Assurance Berhad and CIMB Aviva Takaful Berhad. In addition, he led the internal auditors to perform compliance audits for CIMB Bank Berhad (Singapore Branch) and iCIMB Malaysia Sdn Bhd.

In June 2013, Mr. Lee left CIMB Investment Bank Berhad and joined CIMB Aviva Assurance Berhad (now known as Sun Life Malaysia Assurance Berhad) as the Head of Internal Audit in July 2013, where he was involved in the setting-up of the new internal audit team of the company and led the internal audit team to perform audits of the company until March 2014.

In April 2014, Mr. Lee joined Tokio Marine Insurans (Malaysia) Berhad as the Assistant General Manager, Internal Audit and subsequently promoted to the position of the General Manager, Internal Audit in April 2016, where he led the internal audit team to perform internal audit of the company's business operations and implemented new audit technique and reporting method for the company. He left the company in June 2024.

In August 2024, Mr. Lee joined WCT Malls Management Sdn Bhd as the Head of Compliance, Risk & Sustainability, where he oversaw and ensured that all retail malls within the WCTH Group adhered to legal frameworks, managed risks effectively and upheld sustainability principles.

- (iii) **Ms. Tan Jui Guek**, a Malaysian aged 49, was appointed as the Retail Director of the Manager on 1 April 2025. She graduated from Universiti Sains Malaysia with a Bachelor of Social Science (Economics) in 2000.

Ms. Tan began her career as a Floor Manager at Isetan of Japan Sdn Bhd in Malaysia in August 2000, where she managed the sales and operations of the ladies sundries division at Isetan Department Store in Lot 10 Shopping Centre. In January 2003, she was promoted to the position of a Merchandiser of ladies sundries, where she managed and handled the store's merchandising and inventory. She left the company in May 2004.

6. THE MANAGER (Cont'd)

In June 2004, Ms. Tan joined City Properties Sdn Bhd as a Leasing Executive, where she was responsible for executing the leasing activities of Avenue K Shopping Mall, including sourcing and securing for new tenants, planning for the rent setting and tenancy layout for the opening of the mall as well as the continuing operations of the mall. She left the company in January 2007.

Ms. Tan then joined Mines Shopping Fair Sdn Bhd, as an Assistant Manager in the Leasing Department, where she was responsible for managing the leasing within Mines Shopping Fair (now known as The Mines Shopping Mall). After the completion of the acquisition of Mines Shopping Fair by Mutual Streams Sdn Bhd (an indirect subsidiary of CapitaLand Limited then), she then joined Mutual Streams Sdn Bhd and was promoted to the position of Leasing Manager in December 2007, where she assumed the similar roles and responsibilities that she had performed in Mines Shopping Fair Sdn Bhd until July 2009. During her tenure with Mutual Streams Sdn Bhd, she involved in the asset enhancement exercise undertaken by the company for Mines Shopping Fair to improve the occupancy and rental revenue of the mall as part of the preparation works prior to the injection of the mall to CapitaMalls Malaysia Trust (now known as CapitaLand Malaysia Trust) for its initial public offering and listing on the Main Market of Bursa Securities.

Subsequently in August 2009, Ms. Tan joined Y&Y Property Development Sdn Bhd as the Marketing and Promotion Manager, where she was involved in the planning of leasing and marketing prior to the opening of 1Shamelin Mall. She left the company in May 2010.

Ms. Tan then joined Mah Sing Properties Sdn Bhd (a wholly-owned subsidiary of Mah Sing Group Berhad) in August 2010 as the Senior Manager, Commercial and was promoted to the position of the General Manager, Commercial in January 2012, where she was responsible for the property development, retail management, property sales and marketing for all the retail and commercial properties under Mah Sing Group Berhad and its group of companies until April 2016.

From June 2016 to April 2017, Ms. Tan joined Naza TTDI Sdn Bhd as the Head of Property Management, where she was in charge of property management and commercial leasing of the company.

In June 2017, Ms. Tan joined WCT Malls Management Sdn Bhd as the Senior General Manager, Retail and was subsequently promoted to the position of the Retail Director in July 2018, where she managed all aspects of retail operations of all the retail malls within the WCTH Group and WCTH's joint ventures, namely Paradigm Mall Petaling Jaya, Bukit Tinggi Shopping Centre, Paradigm Mall Johor Bahru, SkyPark Terminal in Selangor and gateway@klia2, including managing tenant relations and developing effective leasing and marketing strategies for such retail malls. She was also involved in the pre-opening preparation of Paradigm Mall Johor Bahru, as well as the asset enhancement exercises of both Paradigm Mall Johor Bahru and Paradigm Mall Petaling Jaya to enhance the attractiveness of the malls, improve the occupancy rate and increase the rental income of the malls.

- (iv) **Mr. Khoo Eng Heng**, a Malaysian aged 53, was appointed as the Head of Facilities Management of the Manager on 1 April 2025. He graduated from the Western Michigan University, United States with a Bachelor of Science in Engineering (Computer Systems) in 1996. He is a Graduate Engineer registered with the Board of Engineers Malaysia since 2002.

6. THE MANAGER (Cont'd)

Mr. Khoo began his career as a Project Engineer at SECM Sdn Bhd in June 1996, where he was responsible for project management of the electrical services provided by the company to clients in various sectors. He left the company in August 2000.

Mr. Khoo then joined Kejuruteraan Bintai Kindenko Sdn Bhd as a Senior Engineer from August 2000 to October 2002, where he assumed similar role and responsibilities that he had performed at SECM Sdn Bhd.

In October 2002, Mr. Khoo joined Pembinaan JBBS Sdn Bhd as a Chief Engineer, where his role and responsibilities included overseeing the implementation of the mechanical and electrical projects for clients in various sectors until January 2003.

Subsequently in January 2003, Mr. Khoo joined Maxef Engineering Sdn Bhd as the General Manager, where he led the project management of mechanical and electrical engineering projects undertaken by the company until April 2008.

In April 2008, Mr. Khoo joined Berjaya TS Management Sdn Bhd as a Special Project Manager and was promoted to the position of a Maintenance Manager in January 2009, where he managed the operation of Berjaya Times Square. In June 2009, Mr. Khoo joined Berjaya Times Square Joint Management Body following the establishment of the joint management body which took over the management of Berjaya Times Square, where he assumed similar role and responsibilities to manage the operation of Berjaya Times Square. He was subsequently promoted to the position of a Senior Maintenance Manager in January 2010 and an Assistant General Manager in August 2012.

In June 2013, Mr. Khoo left Berjaya Times Square Joint Management Body and joined Malaysian Airline System Berhad ("**MASB**") as a Facilities Maintenance Manager, where he was responsible for the maintenance of properties of MASB and its group of companies until July 2015. Following the cessation of business of MASB, he joined Malaysia Airlines Berhad ("**MAB**") as the Senior Manager, Property Facilities Maintenance and Services in August 2015, where his role included overseeing the maintenance of properties of MAB and its group of companies until October 2020.

In November 2020, Mr. Khoo joined WCT Malls Management Sdn Bhd as the Head of Projects and Operations and was subsequently promoted to the position of the Assistant General Manager, Projects and Operations in April 2024, where he was overseeing the overall management and operations of the retail malls within the WCTH Group and WCTH's joint ventures, namely Paradigm Mall Petaling Jaya, Bukit Tinggi Shopping Centre, Paradigm Mall Johor Bahru, SkyPark Terminal in Selangor and gateway@klia2 to ensure the daily operations of the retail malls run smoothly and efficiently, including enhancing the facilities of such retail malls to improve shopping environment and customer experience.

- (v) **Ms. Yap Wee Then**, a Malaysian aged 44, was appointed as the Head of Finance & Accounts of the Manager on 1 April 2025. She graduated from the University of Putra Malaysia with a Bachelor of Accountancy in 2005. She is a member of the Malaysian Institute of Certified Public Accountants and a member of the Malaysian Institute of Accountants since 2010.

Ms. Yap began her career as an Audit Associate with BDO Binder (now known as BDO PLT) in May 2005 and was promoted as an Audit Senior Associate in July 2006. She was further promoted to the position of an Assistant Audit Manager in January 2009 and thereafter an Audit Manager in January 2010 and an Audit Senior Manager in July 2011, where she led a team to conduct financial audit for companies in various sectors. In BDO PLT, she was involved in audit, financial due diligence and special audit for various corporate exercises, including initial public offerings until she left in August 2012.

Ms. Yap then joined Ho Hup Construction Company Berhad as the Corporate & Finance Manager in September 2012, where she was involved in fundraising and corporate exercises and assisted the senior management with the analysis of business proposals, conducting investment analysis, performing feasibility studies and preparing financial forecasts and projections. She was also responsible for the preparation of consolidation accounts, annual reports, quarterly results and board papers of the company.

In June 2019, Ms. Yap left Ho Hup Construction Company Berhad and joined Thriven Global Berhad, where she held the position of the Senior Manager, Group Finance and Treasury from June 2019 to August 2022. In this role, she managed finance, accounting, treasury and tax matters of the group of companies. She was also involved in the preparation of financial projections for bank loan applications and assisted in the preparation and update of project feasibility studies.

Ms. Yap joined WCT Malls Management Sdn Bhd as the Head of Finance in August 2022, where she was overseeing and managing all finance and accounts matters of the company, and all the retail malls within the WCTH Group and WCTH's joint ventures, namely Paradigm Mall Petaling Jaya, Bukit Tinggi Shopping Centre, Paradigm Mall Johor Bahru, SkyPark Terminal in Selangor and gateway@klia2. She was also responsible for the preparation of the business plans, budgets and cash flow projections of the company.

- (vi) **Mr. Wong Kim Kheng**, a Malaysian aged 41, was appointed as the Head of Leasing of the Manager on 1 April 2025. He graduated from the University of Derby, United Kingdom with a Bachelor of Arts in Business Administration in 2006.

Mr. Wong began his career as an Executive in Marketing & Promotion at RCMC Sdn Bhd in August 2006, where he was responsible for sourcing and securing new tenants and managing the leasing activities, including rent setting, retail layout planning and tenancy mix planning for Wangsa Walk Mall, Kluang Mall and KOMTAR JBCC. He left the company in October 2008.

In November 2008, Mr. Wong joined Mutual Streams Sdn Bhd (an indirect subsidiary of CapitaLand Limited then) as an Executive in Leasing, where he assumed the similar roles and responsibilities that he had performed in RCMC Sdn Bhd for The Mines.

Mr. Wong left Mutual Streams Sdn Bhd in July 2009 and joined Lambang Ehsan Sdn Bhd in August 2009 as a Senior Marketing & Promotion Executive, where he was mainly tasked with sourcing and securing new tenants for 1Shamelin Mall until July 2010.

In August 2010, Mr. Wong joined Mah Sing Properties Sdn Bhd (a wholly-owned subsidiary of Mah Sing Group Berhad) as a Senior Executive, Marketing & Leasing, where he was responsible for sourcing and securing new tenants and managing the leasing activities of the retail and commercial properties under Mah Sing Group Berhad and its group of companies. Subsequently, he was promoted to the positions of an Assistant Manager, Marketing & Leasing in January 2013, and a Manager, Marketing & Leasing in April 2014 and thereafter a Senior Manager, Marketing & Leasing in June 2015, where he led the leasing team to manage the leasing of the retail and commercial properties of the group of companies of Mah Sing Group Berhad until May 2016.

Mr. Wong then joined Green Target Holdings Sdn Bhd as the Head of Leasing in June 2016, where he was involved in the preparation of the opening of MesaMall located in Nilai, Negeri Sembilan, and was leading and managing all leasing activities of such retail mall until he left the company in May 2017.

In June 2017, Mr. Wong joined WCT Malls Management Sdn Bhd as the Senior Manager, Group Leasing and was promoted to the position of the Head of Leasing, Group Leasing in July 2019, the position of the Assistant General Manager, Group Leasing in March 2021 and the position of the General Manager, Group Leasing in April 2023, where he was overseeing and managing all the leasing activities of the retail malls within the WCTH Group's portfolio as well as managing rental income, budgeting and maintaining the occupancy rates of such retail malls.

- (vii) **Mr. Hor Chen Yan**, a Malaysian aged 43, was appointed as the Head of Marketing of the Manager on 1 April 2025. He obtained a Diploma in Mass Communication (Media Studies) in 2002 and an Advanced Diploma in Mass Communication (Media Studies) in 2004 from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology). He graduated from Liverpool John Moores University, United Kingdom with a Bachelor of Arts in Mass Communication in 2004.

Mr. Hor began his career as an Executive, Advertising and Promotions at Berjaya Times Square Sdn Bhd in January 2005, where he supported the Advertising and Promotions Manager in executing events and promotional campaigns for Berjaya Times Square. He left the company in December 2006.

Mr. Hor then joined Country Heights Sdn Bhd as a Senior Executive, Advertising and Promotions from January 2007 to November 2007, where his main responsibilities were supporting and contributing to the marketing plan development to achieve the marketing communications revenue goals of the company.

In December 2007, Mr. Hor joined CapitaLand Retail Project Management Pte Limited as the Marketing Communications Manager, where he developed overall marketing strategies focused on increasing shopper traffic and tenant sales across the retail malls within the company's portfolio and responsible for overseeing the execution of various marketing strategies to achieve the targeted marketing communications income of the company. He was also involved in managing media relations, sponsorships and charitable initiatives of the retail malls.

In November 2009, Mr. Hor was transferred internally to CapitaLand Retail Malaysia Sdn Bhd and was subsequently promoted to the position of the Group Marketing Communications Manager in January 2015, where he was responsible for managing branding campaigns, organising cross-mall promotions and spearheading corporate social responsibility initiatives of the retail malls within the company's portfolio until he left the company in September 2016.

6. THE MANAGER (Cont'd)

In October 2016, Mr. Hor joined Suria KLCC Sdn Bhd as the Marketing Manager, where he was involved in the implementation of marketing campaigns and the management of large-scale seasonal events as well as holiday promotions and campaigns. He also led Suria KLCC's digital transformation efforts, incorporated digital marketing strategies and social media campaigns as well as partnerships with influencers to engage a broader audience and elevate the branding of Suria KLCC.

In March 2018, Mr. Hor left Suria KLCC Sdn Bhd and joined CPN Ventures Sdn Bhd as the Marketing Manager in April 2018, where he was primarily responsible for the planning and executing the pre-opening and grand-opening marketing strategies for Central i-City Mall. He standardised marketing standard operating procedures, secured strategic partnerships, developed post-opening marketing plans and managing the annual marketing budget for the mall. Mr. Hor was then transferred to Central Plaza I-City Real Estate Sdn Bhd in June 2019, where he assumed the similar roles and responsibilities that he had performed at CPN Ventures Sdn Bhd until he left the company in February 2020.

In March 2020, Mr. Hor joined WCT Malls Management Sdn Bhd as the Deputy Head, Advertising and Promotions, and was subsequently promoted to the position of the Head, Advertising and Promotions in March 2021 and the position of the Assistant General Manager, Advertising and Promotions in April 2024, where he was overseeing and managing all advertising and promotional activities across the retail malls within the WCTH Group's portfolio and drove the growth and visibility of the branding of such retail malls.

6.5.2 Roles of the Key Management Personnel of the Manager

CEO

The CEO will be responsible, among others, for the following:

- (i) overseeing the day-to-day operational management of Paradigm REIT;
- (ii) being responsible for proposing and working with the Board to determine the overall business, investment and operational strategies or policies for Paradigm REIT;
- (iii) being responsible for reporting to the Board in respect of the results, financial information, potential investment opportunities and status of the implementation of policies, strategies and decisions;
- (iv) being responsible for working with the other members of the management team as well as the Property Manager to ensure that the business, investment and operational strategies of Paradigm REIT are implemented in accordance with the Manager's stated investment strategy and also in accordance with the Deed, the REIT Guidelines and the Listing Requirements;
- (v) being responsible for planning the overall strategic development of Paradigm REIT in accordance with the stated operational and investment objectives of Paradigm REIT;
- (vi) being responsible for the adoption and effective implementation of policies and/or procedures for the effective communication with, and appropriate disclosure to the Unitholders, other stakeholders and the access to relevant information about Paradigm REIT as a publicly listed entity;

6. THE MANAGER *(Cont'd)*

- (vii) being responsible for formulating business and/or operational plans and strategies for properties with short, medium and long-term objectives, and with a view to maximising the rental income of Paradigm REIT via proactive asset management that includes asset enhancement initiatives and refinement of tenancy mix; and
- (viii) working together with the management team to address strategies, business operations, financial performance and risk management in meeting the strategic, investment and operational objectives of Paradigm REIT.

Director of Investment, Finance and Accounts

The Director of Investment, Finance and Accounts of the Manager will be responsible, among others, for the following:

- (i) working with the CEO and the other team members of the Manager's team to formulate strategic plans for Paradigm REIT in accordance with the Manager's stated investment strategy;
- (ii) applying the appropriate capital management strategy overseeing implementation of Paradigm REIT's short and medium-term business plans and cash and funding management activities;
- (iii) preparing all relevant financial reporting (including interim reporting) required under relevant regulatory requirements, including but not limited to the relevant laws and requirements;
- (iv) identifying, researching and evaluating potential acquisitions and related investments with a view to enhance and optimise the value of Paradigm REIT's portfolio, or divestments where a property is no longer strategic, fails to enhance the value of Paradigm REIT's portfolio or fails to be yield accretive;
- (v) assessing investments to be in line with Paradigm REIT's investment policy, objective and strategies;
- (vi) ensuring completion of acquisitions and financing arrangements;
- (vii) overseeing the acquisition and divestment process of any investments by Paradigm REIT, including being responsible for the due diligence process of such investments and divestments, and the recommendation of the appointment of any external parties or professionals required;
- (viii) developing financial models including undertaking detailed analysis to test the financial impact of different courses of action and to report performance of Paradigm REIT's existing and new investments; and
- (ix) maintaining continuous disclosure and communication to the Unitholders, the public and potential investors.

Head of Compliance, Risk and Sustainability

The Head of Compliance, Risk and Sustainability of the Manager will be responsible, among others, for the following:

(a) Compliance:

- (i) advising and monitoring the Manager to ensure its compliance with all relevant laws and regulatory requirements, including those related to anti-money laundering (AML), combating the financing of terrorism (CFT), counter proliferation financing (CPF), screening, watchlist and suspicious transaction reporting (STR), anti-bribery and anti-corruption (ABAC) and whistleblowing;
- (ii) advising and monitoring the internal corporate governance policies of the Manager;
- (iii) advising and monitoring to ensure that there are no breaches of the covenants of the Deed and any other contracts or agreements entered into by the Manager and Trustee (on behalf of Paradigm REIT) with third parties;
- (iv) advising and monitoring Paradigm REIT and its property portfolio to ensure its compliance with the relevant laws and regulatory requirements;
- (v) ensuring the necessary reporting or announcements are made under guidelines issued by the SC and the Listing Requirements;
- (vi) reporting to the Board on compliance matters;
- (vii) ensuring compliance with all legal requirements and consult with external solicitors as needed;
- (viii) liaising with Bursa Securities and the SC, whenever necessary; and
- (ix) liaising with the Trustee on all corporate and compliance issues affecting Paradigm REIT, including issues pertaining to regulatory reporting and the functions of the Manager.

(b) Risk management:

- (i) setting up an enterprise-wide risk management procedure for identifying, assessing, managing (by elimination, mitigation, transfer and/or acceptance) and reviewing risks throughout the Paradigm REIT;
- (ii) increasing awareness, providing guidance, and training and educating all employees of Paradigm REIT in understanding and appreciating the relevance and importance of enterprise-wide risk management;
- (iii) continuously overseeing and monitoring the implementation of the risk management procedures;
- (iv) continuously reviewing risk, risk evaluations and risk management strategies identified, proposed, and/or implemented pursuant to the risk management procedures; and
- (v) periodically reviewing and continuously improving upon the enterprise-wide risk management procedures being implemented.

6. THE MANAGER (Cont'd)

(c) Sustainability:

- (i) implementing Paradigm REIT's sustainability plan, including the sustainability strategies, policies and targets;
- (ii) managing sustainability data and preparing quarterly sustainability reporting presentations and annual sustainability statements;
- (iii) reviewing and preparing submissions to ESG ratings and research firms, including benchmark disclosure practices and conducting gap analysis; and
- (iv) communicating and creating awareness of Paradigm REIT's sustainability initiatives, progress and achievements through employee engagement activities and internal communication platforms.

Retail Director

The Retail Director of the Manager will be responsible, among others, for the following:

- (a) formulating the business plans in relation to Paradigm REIT's properties with short, medium and long-term objectives, and with a view to maximising the rental income;
- (b) ensuring the Manager works closely with the Property Manager to implement Paradigm's REIT's strategies to maximise the income generation potential and minimise the expense base of the properties without compromising their marketability;
- (c) supervising the Property Manager in the implementation of Paradigm REIT's property-related strategies including analysing and recommending asset enhancement initiatives;
- (d) assisting the CEO to work with the Property Manager to ensure that the business, investment and operational strategies of Paradigm REIT are implemented in accordance with the Manager's stated investment strategy and also in accordance with the Deed constituting Paradigm REIT, the REIT Guidelines and the Listing Requirements;
- (e) assisting in the formulation of business plans in relation to the properties of Paradigm REIT to maximise the rental income;
- (f) overseeing a team covering leasing and marketing for Paradigm REIT;
- (g) working with the Property Manager together with the finance team to manage the income of the properties of Paradigm REIT without compromising its marketability; and
- (h) negotiating with tenants and potential tenants of Paradigm REIT on commercial terms.

Head of Facilities Management

The Head of Facilities Management of the Manager will be responsible, among others, for the following:

- (a) assisting the CEO to work with the Property Manager to ensure best practices for cost effective operations and preventive maintenance;
- (b) training and teaching the technical team in the Property Manager;

6. THE MANAGER (Cont'd)

- (c) ensuring all contracts are best price and suitable for the property's needs;
- (d) overseeing projects and fit outs in respect of the properties of Paradigm REIT;
- (e) ensuring the overall management, operations and attractiveness of the properties of Paradigm REIT; and
- (f) ensuring all maintenance works are carried out efficiently, correctly and timely.

Head of Finance and Accounts

The Head of Finance and Accounts of the Manager will be responsible, among others, for the following:

- (a) preparing all finance and accounting matters including financial reporting for Bursa Securities and compliance with all relevant regulatory requirements; and
- (b) assisting the Director of Investment, Finance and Accounts in applying the appropriate capital management strategy as well as overseeing the implementation of short and medium-term business plans, cash and funding management activities and financial condition.

Head of Leasing

The Head of Leasing of the Manager will be responsible, among others, for the following:

- (a) overseeing the Property Manager leasing team to ensure ideal occupancy and rentals of the malls;
- (b) planning and supervising the ideal trade mix and drive property team to execute asset enhancement initiatives;
- (c) ensuring that renewals are done timely and in accordance to budget; and
- (d) ensuring the compliance with all legal requirements and consult with external solicitors as needed for all the legal matters arising from the tenancies.

Head of Marketing

The Head of Marketing of the Manager will be responsible, among others, for the following:

- (a) developing and implementing key performance indicator ("KPI") to measure the Property Manager's advertising and promotion, and marketing effectiveness;
- (b) overseeing to ensure marketing KPIs are met and that all events drive customers and sales to tenants by monitoring performance, analysing results and providing feedback to ensure marketing initiatives contribute to business growth;
- (c) focusing on branding by creating and maintaining a strong brand identity for the property to enhance Paradigm REIT's market position; and
- (d) securing partnerships and/or sponsorships by identifying, negotiating and managing partnerships to generate additional revenue and increase brand visibility.

6. THE MANAGER *(Cont'd)*

6.6 MANAGEMENT FEES

The Manager may elect to receive the Management Fees in cash or new Units or a combination of cash and new Units (as it may in its sole discretion determine). The Manager is entitled under the Deed to the following Management Fees (exclusive of service tax, if any):

6.6.1 Base Fee and Performance Fee

(i) The Manager is entitled under the Deed to the following fees:

(a) Base Fee

up to 1.0% per annum of the Total Asset Value of Paradigm REIT (excluding cash and bank balances which are held in non-interest bearing accounts).

For the avoidance of doubt, where an investment is held through one or more SPVs, the Total Asset Value shall include the value of all the assets of the relevant SPV, prorated to the proportion of Paradigm REIT's interest in the said SPV, if applicable.

(b) Performance Fee

up to 5.0% per annum of the NPI.

6.6.2 Acquisition Fee and Divestment Fee

The Manager is also entitled under the Deed to the following fees:

(i) Acquisition Fee

1.0% of the acquisition price of each of the following as is applicable (subject to there being no double-counting):

- (a) in relation to an acquisition (whether directly or indirectly through the Trustee or one or more SPVs of Paradigm REIT) of any Real Estate, the transaction value of any Real Estate purchased by Paradigm REIT or its SPV (pro-rated to the proportion Paradigm REIT's interest, if applicable); or
- (b) in relation to an acquisition (whether directly or indirectly through the Trustee or one or more SPV of Paradigm REIT) of any SPV or holding entities which holds Real Estate, the underlying value of any Real Estate as assessed in a valuation report by a qualified valuer pursuant to the Deed ("**Underlying Value**") (pro-rated to the proportion Paradigm REIT's interest, if applicable)

For the avoidance of doubt, no Acquisition Fee is payable with respect to the Acquisition of the Subject Properties in connection with the Listing, but Acquisition Fee is payable with respect to all other transactions (including related party transactions and non-related party transactions and acquisitions from the WCTH Group subsequently).

(ii) **Divestment Fee**

0.5% of the each of the following as is applicable (subject to there being no double-counting):

- (a) in relation to a disposal (whether directly or indirectly through the Trustee or one or more SPVs of Paradigm REIT) of any Real Estate, the transaction value of any Real Estate disposed by Paradigm REIT or its SPV (pro-rated to the proportion Paradigm REIT's interest, if applicable); or
- (b) in relation to a disposal (whether directly or indirectly through the Trustee or one or more SPVs of Paradigm REIT) of any SPV or holding entities which holds Real Estate, the Underlying Value of any Real Estate (pro-rated to the proportion Paradigm REIT's interest, if applicable).

For the avoidance of doubt, the Divestment Fee is payable with respect to all other transactions (including related party transactions and non-related party transactions and divestments to WCTH Group), as well as for compulsory acquisitions.

In making the payment of the Management Fees mentioned above, Paradigm REIT shall also bear all applicable sales and services taxes or such other duties and levies whatsoever imposed on the Management Fees by the relevant authorities in Malaysia.

The Management Fees may only be varied upwards with the prior approval of the Unitholders obtained by way of a resolution of not less than two-thirds of the Unitholders voting at the Unitholders' meeting duly convened and held in accordance with the Deed, or such other voting requirement as may be required under the REIT Guidelines from time to time, and shall be effected by way of a supplemental deed in accordance with the requirements of the CMSA.

For the FYE 2025, Paradigm REIT intends to charge a base fee of 0.3% per annum of the Total Asset Value of Paradigm REIT and a performance fee of 3.0% per annum of the NPI.

The Management Fees are payable to the Manager in cash, new Units or a combination thereof as the Manager may elect. Any payment of the Management Fees in cash must be paid within 7 days of (i) in respect of Base Fee and Performance Fee, the announcement of the relevant quarterly financial reports; or (ii) in respect of the Acquisition Fee and Divestment Fee, the completion of the relevant acquisition or divestment (each, a "**Trigger Event**"). Any payment of the Management Fees in new Units must be paid as soon as practicable after obtaining Bursa Securities' approval for the listing of and quotation for the said Units. Where such approval cannot be obtained or where payment for such Management Fees in new Units would result in Paradigm REIT not complying with the public spread requirements stated in the Listing Requirements or result in adverse implications under Rules on Takeovers, the payment of the Management Fees will be paid in cash.

Bursa Securities has approved the listing of and quotation for up to 20.0 million Units to be issued as payment of the Management Fees on a staggered basis, on 14 April 2025. The 20.0 million Units are tabulated based on 1.3% of the initial Units listed. The approval of the SC is not required for the issuance of the 20.0 million Units.

6. THE MANAGER (Cont'd)

The Manager will ensure that the payment of the Management Fees in the form of new Units does not result in a conflict of interest by taking the following steps:

- (i) The payment of the Management Fees in the form of new Units will be in accordance with the following formula:

$$\text{New Units to be issued as payment of the Management Fees} = \frac{\text{Management Fees payable in Units}}{\text{Market Price}}$$

For this purpose, “**Market Price**” means the volume weighted average traded price for a Unit for all trades on Bursa Securities in the ordinary course of trading on Bursa Securities for the last 5 Market Days preceding the Trigger Event.

- (ii) The Manager will make immediate announcements to Bursa Securities disclosing the number of new Units issued and the issue price of the new Units when new Units are issued as payment for Management Fees. Payment of the Management Fees in Units shall be subject to Paradigm REIT complying with the public spread requirements stated in the Listing Requirements and there being no adverse implications under Rules on Takeover.

In determining whether to pay the Management Fees in the form of Units or cash or a combination of both, the Manager will be guided by, among others, the cash flows planning of the Manager, the potential capital appreciation through holding the Units, the alignment of interest with the Unitholders and the manner of payment of the Management Fees will not be detrimental to the Unitholders.

6.6.3 Illustration of the Management Fees Payable

To illustrate the Management Fees payable in any particular financial year, the following scenarios for Paradigm REIT’s financial position and performance as well as acquisition and divestment activities are assumed:

Total Asset Value as at the end of the FYE 2025 : RM2,475.6 million

Annualised NPI for the FYE 2025⁽¹⁾ : RM161.3 million

Acquisition activities during the FYE : Acquisition of a Real Estate for a purchase consideration of RM100.0 million.

Divestment activities during the FYE : Divestment of a Real Estate for a sale consideration of RM100.0 million.

Note:

- (1) Annualised NPI is calculated by multiplying the NPI for the 294-days Forecast Period 2025 of RM129.9 million by a factor of 365 / 294.

Based on the above, the Management Fees payable by Paradigm REIT are illustrated on the 2 following scenarios as set out in the table below:

Base Case : Assuming Management Fees are charged at the rate in line with the assumptions for the Profit Forecast

Maximum Case : Assuming Management Fees are charged at the maximum rate provided for under the Deed

6. THE MANAGER (Cont'd)

Base Fee	:	Base Case	Maximum Case
		0.3% of the Total Asset Value = 0.3% of RM2,475.6 million = RM7.4 million	1.0% of the Total Asset Value = 1.0% of RM2,475.6 million = RM24.8 million
Performance Fee	:	3.0% of NPI = 3.0% of RM161.3 million = RM4.8 million	5.0% of NPI = 5.0% of RM161.3 million = RM8.1 million
Acquisition Fee	:	1.0% of transaction value (being the total purchase price) = 1.0% of RM100.0 million = RM1.0 million	
Divestment Fee	:	0.5% of transaction value (being the total disposal price) = 0.5% of RM100.0 million = RM0.5 million	

Apart from the event driven fees (being the Acquisition Fee and the Divestment Fee), the aggregate annual Management Fees (being the Base Fee and Performance Fee) and its proportion as a percentage of NPI based on the illustrations above are RM12.2 million (7.6% of NPI) and RM32.9 million (20.4% of NPI) for the Base Case and Maximum Case, respectively.

6.7 OUTSOURCING OF THE REGISTRAR FUNCTION

The Manager has entered into a service agreement with Boardroom Share Registrars Sdn Bhd to delegate the function of registrar to Boardroom Share Registrars Sdn Bhd.

Boardroom Share Registrars Sdn Bhd was incorporated in Malaysia under the Companies Act 1965 on 7 March 1996, and deemed registered under the Companies Act. As at the LPD, the issued share capital of Boardroom Share Registrars Sdn Bhd is RM2,550,000.00 comprising 2,550,000 ordinary shares.

The principal services to be provided by the Registrar shall comprise, among others, the following:

- (i) maintaining and updating the Principal Register of Unitholders in compliance with the Companies Act and SICDA;
- (ii) attending to relevant correspondences and enquiries from the Unitholders and any other interested parties pertaining to the Principal Register, registration of powers of attorneys, letters of administration, grant of probate, indemnities, court orders and any other matters ancillary thereto;
- (iii) preparing, signing and despatching of distribution to the Unitholders and reconciling the distribution accounts unless surrendered to the Registrar of Unclaimed Moneys in accordance with the Unclaimed Moneys Act 1965 (if applicable);
- (iv) providing list of names and printing of address labels for the purposes of mailing the notices, circulars, documents and annual reports to the Unitholders;
- (v) liaising with the Bursa Depository to facilitate depositing of Units, access to the Record of Depositors, statistics for the Unitholders' information and for the purposes of Unitholders' meeting or any other corporate actions, in compliance with SICDA;
- (vi) obtaining from Bursa Depository the list of Unitholders entitled to distribution;

6. THE MANAGER *(Cont'd)*

- (vii) providing statistic reports or detailed Unitholders' information for annual report disclosure and as may be required by the Manager or the relevant authorities on a regular basis or upon receipt of a written request, which shall include the following:
 - (a) analysis of Unitholders by size and type;
 - (b) list of thirty largest Unitholders; and
 - (c) category of Unitholders;
- (viii) preparing distribution master list, bonus master list, right issue master list, list of major Unitholders, analysis of Unitholders and distribution in terms of size of unitholdings and percentage, unit capital ownership analysis and any other lists which are not specifically mentioned herein which is/are required by the Manager;
- (ix) providing services for other corporate exercises (bonus issue/rights issues and distribution payment), which shall include the provision of information on the following:
 - (a) entitlement list;
 - (b) excess applicants list; and
 - (c) successful allotment list.
- (x) acting as advisor to the Manager on all matters in relation to Bursa Depository or SICDA and be the official link between Bursa Depository and the Manager;
- (xi) processing issue of new Units including computation and allotment, verification of data for crediting into the respective CDS accounts and the subsequent dispatching of new global certificates to Bursa Depository, notices of allotment and relevant confirmation letter(s) to the Unitholders; and
- (xii) preparing for and handling the registration for Unitholders' meeting which includes the following:
 - (a) handling registration of Unitholders for meeting purposes; and
 - (b) handling lodgement and processing of proxy forms received up to providing the analysis of voting instruction based on proxy forms received.

Notwithstanding the above, the services of the Registrar are not intended, in anyway, to diminish the responsibilities of the Manager. The registrar function is the responsibility of the Manager.

6.8 OUTSOURCING OF THE INTERNAL AUDIT FUNCTION

BDO Governance Advisory Sdn Bhd was incorporated in Malaysia under the Companies Act 1965 on 9 June 1997, and deemed registered under the Companies Act. As at the LPD, the issued share capital of BDO Governance Advisory Sdn Bhd is RM150,150.00 comprising 150,150.00 ordinary shares. BDO Governance Advisory Sdn Bhd is principally involved in the provision of internal audit services, corporate governance advisory, risk management consulting services and general consulting services.

The Manager has entered into a service agreement with BDO Governance Advisory Sdn Bhd to delegate the function of the internal auditor to BDO Governance Advisory Sdn Bhd.

6. THE MANAGER (Cont'd)

The principal services to be provided by BDO Governance Advisory Sdn Bhd shall comprise, among others, the following:

- (i) developing a risk-based internal audit plan to the Audit Committee and Risk and Sustainability Committee for approval;
- (ii) conducting an annual internal control review covering key business processes, including but not limited to, procurement and payment of property operating expenses and property enhancement services, tenancy agreement, collection of rentals, acquisition and divestment of investment properties and fund management activities;
- (iii) presenting the findings on internal control reviews to the Audit Committee, and Risk and Sustainability Committee at the scheduled periodic meetings; and
- (iv) conducting a follow-up review to determine the implementation status of action plans arising from the internal control review conducted, as necessary.

Notwithstanding the above, the primary obligation, accountability and responsibility with regards to the scope of internal audit services shall remain with regards to the scope of internal audit services approved by the Board and the Manager at all times.

The Manager shall ensure that the internal audit functions executed for Paradigm REIT are guided by the International Professional Practice Framework of the Institute of Internal Auditors Malaysia.

6.9 OUTSOURCING OF THE COMPANY SECRETARIAL FUNCTION

The Manager has entered into a service agreement with Boardroom Corporate Services Sdn Bhd to delegate the function of company secretarial services to Boardroom Corporate Services Sdn Bhd.

Boardroom Corporate Services Sdn Bhd was incorporated in Malaysia under the Companies Act 1965 on 13 April 1960, and deemed registered under the Companies Act. As at the LPD, the issued share capital of Boardroom Corporate Services Sdn Bhd is RM250,000.00 comprising 250,000 ordinary shares.

The principal services to be provided by Boardroom Corporate Services Sdn Bhd shall comprise, among others, the following:

- (i) preparing and submitting statutory returns or forms under the Companies Act to the Companies Commission of Malaysia;
- (ii) proper maintenance of statutory books;
- (iii) liaising with Bursa Securities and the SC in respect of compliance with the Listing Requirements or other relevant requirements;
- (iv) drafting of all necessary notices, directors' resolutions, minutes of the Board's and the board committees' meetings and shareholders' meetings and relevant documents under the direction and instruction of the Board;
- (v) attending Board's and board committees' meeting as well as general meetings and any other meetings of the Manager, if so required;
- (vi) preparation of Board papers for Board's and the board committees' meetings or any other meetings, if so required;

6. THE MANAGER (Cont'd)

- (vii) providing certification of company secretarial documents and forms when required;
- (viii) providing advisory services on matters relating to the statutory requirements as prescribed under the Companies Act and requirements under Bursa Securities, the latest updates on legislative changes and such other matters relating to good corporate and secretarial practices; and
- (ix) providing 2 named company secretaries to the Manager.

Notwithstanding the above, the services of Boardroom Corporate Services Sdn Bhd are not intended, in anyway, to diminish the responsibilities of the Manager. The company secretarial function is the responsibility of the Manager.

6.10 UNITHOLDINGS OF THE SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT PERSONNEL OF THE SPONSOR AND THE MANAGER IN PARADIGM REIT

Paradigm REIT was established on 13 March 2025. Prior to the Acquisitions and the Offering, the substantial shareholders, directors and key management personnel of the Manager and the Sponsor will not hold any Units, direct and/or indirect, in Paradigm REIT.

The expected unitholding of the said parties after the Acquisitions and Offering (after taking into account allocation from the Restricted Pink Form Offering) are set out in the table below:

	Direct		Indirect	
	No. of Units (‘000)	%	No. of Units (‘000)	%
<u>Substantial Shareholders of the Sponsor</u>				
DNSB	-	-	⁽¹⁾ 1,040,000	65.0
LPL	-	-	⁽²⁾ 1,040,000	65.0
TSDL	-	-	⁽³⁾ 1,040,000	65.0
AmanahRaya Trustees Berhad – Amanah Saham Bumiputera	-	-	-	-
<u>Substantial Shareholders of the Manager</u>				
Sponsor	810,000	50.6	⁽⁴⁾ 230,000	14.4
DNSB	-	-	⁽¹⁾ 1,040,000	65.0
LPL	-	-	⁽²⁾ 1,040,000	65.0
TSDL	-	-	⁽³⁾ 1,040,000	65.0
TSMZ	-	-	-	-
<u>Directors of the Sponsor</u>				
TSDL ⁽⁵⁾	-	-	⁽³⁾ 1,040,000	65.0
Dato’ Lee ⁽⁵⁾	-	-	-	-
Datuk Chow Ying Choon	500	*	-	-
Tan Sri Marzuki Bin Mohd Noor	100	*	-	-
Datuk Ab Wahab Bin Khalil	100	*	-	-
Dato’ Ng Sooi Lin	100	*	-	-
Ng Soon Lai @ Ng Siek Chuan	100	*	-	-
Rahana Binti Abdul Rashid	100	*	-	-
<u>Directors of the Manager</u>				
Tan Sri Shahril Ridza Bin Ridzuan	100	*	-	-
Dato’ Ng Wan Peng	100	*	-	-

6. THE MANAGER (Cont'd)

	Direct		Indirect	
	No. of Units (‘000)	%	No. of Units (‘000)	%
Kua Choo Kai	100	*	-	-
Dr. Lee Khuan Eoi	100	*	-	-
General Tan Sri Dato’ Seri Panglima Ts Zulkifli Bin Zainal Abidin (Retired) ⁽⁶⁾	100	*	-	-
Lai Cheng Yee ⁽⁷⁾	100	*	-	-
Chua Kah Noi Selena	100	*	-	-

Key Management Personnels of the Sponsor

Ir. Anthony Teoh Teik Thiam	100	*	-	-
Ang Keng Hong	100	*	-	-
Ng Eng Keat	100	*	-	-
Ng Mun Wai	100	*	-	-
Ir. Dr. Tony Chan Tuck Leong	100	*	-	-
Chong Wah Hing	100	*	-	-
Khor Loke Yew	100	*	-	-
Mak Ngan Hoe	100	*	-	-
Florence Lee Guat Choo	100	*	-	-

Key Management Personnels of the Manager

Chong Kian Fah	100	*	-	-
Jason Lee Chia Huang	50	*	-	-
Tan Jui Guek	100	*	-	-
Khoo Eng Heng	50	*	-	-
Yap Wee Then	50	*	-	-
Wong Kim Kheng	50	*	-	-
Hor Chen Yan	50	*	-	-

Notes:

* Less than 0.1%.

- (1) Deemed interested by virtue of its 16.5% interest in the Sponsor, pursuant to Section 8 of the Companies Act.
- (2) Deemed interested by virtue of its 100.0% interest in DNSB, pursuant to Section 8 of the Companies Act.
- (3) Deemed interested by virtue of his 6.7% direct interest in the Sponsor and his 100.0% interest in LPL, pursuant to Section 8 of the Companies Act.
- (4) Deemed interested by virtue of its 70.0% interest in JPSB, pursuant to Section 8 of the Companies Act.
- (5) TSDL and Dato’ Lee have voluntarily opted out of the Restricted Pink Form Offering to mitigate any potential conflict of interest situation that may arise. Please refer to Section 11.5 “Interests of Directors and other substantial shareholders of the Manager in other corporations carrying on similar business” of this Prospectus for further information on the potential conflict of interest situations involving TSDL and Dato’ Lee.
- (6) General Tan Sri Dato’ Seri Panglima Ts Zulkifli Bin Zainal Abidin (Retired) is the Non-Independent Non-Executive Director nominated by TSMZ.
- (7) Lai Cheng Yee is the Non-Independent Non-Executive Director nominated by the Sponsor.

6. THE MANAGER (Cont'd)

Save as disclosed above, none of the substantial shareholders, directors and key management personnel of the Sponsor and the Manager have any nature of association or family relationship with each other.

6.11 RETIREMENT, REMOVAL AND REPLACEMENT OF THE MANAGER

6.11.1 Retirement

The Manager may retire upon giving 6 months' written notice to the Trustee (or such shorter period as may be agreed upon with the Trustee) and the Trustee shall then appoint in writing any other corporation as the management company of Paradigm REIT in its place subject to the approval of the SC.

6.11.2 Removal and Replacement

- (i) If the Manager –
 - (a) has ceased to exist;
 - (b) ceases to be eligible to act as management company pursuant to the CMSA or its appointment to act as the management company of Paradigm REIT is revoked by the SC;
 - (c) fails or refuses to act as management company in accordance with the provisions or covenants of the Deed or the provisions of the CMSA;
 - (d) has a receiver appointed over the whole or a substantial part of its assets or undertaking and the Manager has not ceased to act under the appointment or a petition is presented for the winding up of the Manager (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Manager becomes or is declared to be insolvent);
 - (e) is under investigation for conduct amounting to fraud or of similar serious nature being a contravention of the Companies Act or any Securities Law and is found guilty by the courts in Malaysia of such offence as charged;
 - (f) is required to be removed by the SC or is required to be removed pursuant to the provisions of the REIT Guidelines; or
 - (g) is required to be removed by the Unitholders by way of an ordinary resolution of a simple majority of the votes of the Unitholders (or otherwise in accordance with the requirements of the REIT Guidelines), passed at a Unitholders' meeting convened for that purpose on the grounds that the Manager is in breach of its obligations under the Deed and the Manager has failed to remedy the breach despite the request from the Trustee to remedy the breach,

the Trustee shall as soon as practicable after becoming aware of any of the above events take all reasonable steps to remove the Manager from its appointment under the Deed and appoint a replacement management company which is eligible to be appointed to act a management company under the CMSA and which has been approved by the SC.

6. THE MANAGER (Cont'd)

6.12 RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST

The Deed states that the Manager and the Trustee and any delegate thereof shall avoid conflicts of interest arising, and shall ensure that Paradigm REIT is not disadvantaged by such transaction. The Manager must not make improper use of its position in managing Paradigm REIT to gain, directly or indirectly, an advantage for itself or for any other person or to cause detriment to the interest of the Unitholders.

The Directors are under a fiduciary duty towards Paradigm REIT to act in the best interest of Paradigm REIT. In addition, the executive and non-executive directors (including CEO) and the key management personnel of the Manager are expected to act with honesty and integrity at all times.

The Directors must ensure that any related party transactions carried out by Paradigm REIT shall be in accordance to the REIT Guidelines, the Listing Requirements and the Relevant Laws and Requirements and with the approval of the Unitholders where stipulated under the REIT Guidelines, the Listing Requirements and the Relevant Laws and Requirements at all times.

Under the Deed, the Related Parties (as defined in the Deed) of the Manager may hold Units but, unless otherwise permitted by the Relevant Laws and Requirements or by the SC, such Related Party of the Manager shall not have voting rights in respect of the Units held at any meetings of Unitholders and shall not be counted in a quorum for such a meeting, if it has an interest in the outcome of the transaction tabled for approval at the meeting which is different from the interest of other Unitholders.

Please refer to Section 11 "Corporate Governance, Related Party Transactions and Conflict of Interest" of this Prospectus for further details on conflicts of interest and related party transactions.

6.13 CORPORATE GOVERNANCE

Please refer to Section 11 "Corporate Governance, Related Party Transactions and Conflict of Interest" of this Prospectus.

6.14 MATERIAL LITIGATION AND ARBITRATION

As at the LPD, the Manager is not engaged in any material litigation and arbitration, either as plaintiff or defendant which has a material effect on its financial position and its directors do not know of any proceedings, pending or threatened, or of any facts likely to give rise to any proceedings which might materially and adversely affect its financial position or business.

6.15 SUSTAINABILITY

As an 80.0% jointly-controlled entity of the Sponsor, the Manager has adopted relevant sustainability practices from the Sponsor, Paradigm REIT is committed to fostering a sustainable future by integrating ESG principles into its business strategies and operations. Paradigm REIT aims to create long-term value for its stakeholders while contributing positively where Paradigm REIT operates.

6. THE MANAGER (Cont'd)

6.15.1 Environmental aspect

The environmental sustainability practices are as follows:

- (i) committed towards energy-efficient practices across all its Real Estates by implementing technologies and monitoring systems to eliminate wastages;
- (ii) ensure responsible and efficient use of natural resources and adopt water conservation practices through the installation of water-efficient fixtures and the implementation of rainwater harvesting systems, where practical;
- (iii) promote waste reduction and recycling initiatives in all its Real Estates with the main aim of diverting waste from landfills through comprehensive recycling programs and waste management practices; and
- (iv) collaborate with tenants to promote sustainable practices, such as waste reduction, energy and water conservation.

6.15.2 Social Aspect

The Manager is committed to, among others, achieving the following:

- (i) contributing to the wellbeing and development of the surrounding community through corporate social responsibility programmes, employee volunteerism, job creation and donation;
- (ii) ensuring active engagement with shoppers and tenants to improve customer satisfaction;
- (iii) prioritise the well-being and development of its employees by providing a safe, healthy, and conducive work environment;
- (iv) cultivating a diverse and inclusive culture that recognises and values individuality;
- (v) ensuring equal access to opportunities regardless of age, gender, ethnicity, religion, national origin, disability, sexual orientation or any other relevant characteristics;
- (vi) eliminating improper conducts and practices in the workplace, including but not limited to bullying, discrimination, intimidation and victimisation; and
- (vii) empowering the Manager's workforce through ongoing training programmes the personal and professional growth of its employee.

6.15.3 Governance Sustainability

The Manager is committed to adhere to good corporate governance practices in accordance with the principles and practices of corporate governance as set out in MCCG, which is fundamental in safeguarding the interest of the Unitholders. The Board strives to provide active oversight on sustainability and climate governance, ensuring alignment with Paradigm REIT's strategic priorities and long-term vision by regularly reviewing ESG initiatives and climate-related goals to assess progress and address emerging climate risks and opportunities.

The Board is also committed to, among others, achieving the following:

- (i) maintaining the highest standards of business ethics, integrity, and corporate governance practices;

6. THE MANAGER *(Cont'd)*

- (ii) establishing and continually improving appropriate governance structures and processes;
- (iii) complying with the Relevant Laws and Requirements;
- (iv) resolving verifiable complaints, grievances and conflicts through an open, transparent and consultative process;
- (v) establishing robust policies and procedures to ensure the adequacy and integrity of the Paradigm REIT's internal control system;
- (vi) conducting business in an open, transparent, and accountable manner;
- (vii) engaging in continuous, timely, transparent, and meaningful communication with stakeholders to facilitate mutual understanding; and
- (viii) protecting the rights of customers to privacy and the protection of personal data.

The Manager has adopted the recommendations under the MCCG to have a board comprising at least 50.0% independent directors and to have at least 30.0% women directors. As at the LPD, 4 out of 7 Directors or 57.1% of the Board are independent directors and female.

Upon Listing, the Manager will make the relevant disclosures of the applicable practices prescribed under MCCG as required under the Listing Requirements.

7. BACKGROUND INFORMATION ON THE SPONSOR

7.1 THE SPONSOR

The Sponsor was incorporated in Malaysia on 21 January 2011 under the Companies Act 1965 as a private limited company under the name of WCT Holdings Sdn Bhd, and is deemed registered under the Companies Act. It had converted from a private limited company to a public limited company under its present name of WCT Holdings Berhad on 22 November 2012. The registered office of the Sponsor is located at B-30-01, The Ascent, Paradigm, No. 1, Jalan SS7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia. Currently, the Sponsor is publicly listed on the Main Market.

The Sponsor is principally involved in investment holding and provision of management services to its subsidiaries, joint ventures and associates. The 3 core businesses of the WCTH Group are engineering and construction, property development and property investment and management.

As at the LPD, the Sponsor is holding a direct interest of 80.0% in the Manager, while the remaining 20.0% interest is held by TSMZ. Notwithstanding the equity interest of 80.0% in the Manager held by the Sponsor, the Manager will be recognised as a jointly-controlled entity of the Sponsor from an accounting perspective.

7.1.1 The Sponsor's Group Structure

WCT Holdings Berhad

- WCT Berhad** (100%)
 - KKBWCT Joint Venture Sdn Bhd (30%)
 - WCT Overseas Sdn Bhd (100%)
 - WCT (International) Pvt Ltd (1) (100%)
 - WCT (Offshore) Pvt Ltd (1) (100%)
 - IWM Constructions Pvt Ltd (2) (61.9%)
 - Gamuda-WCT (India) Pvt Ltd (2) (30%)
 - WCT Infrastructure (India) Pvt Ltd (2) (99.99%)
 - Gamuda-WCT (Offshore) Pvt Ltd (1) (30%)
 - Mapex Infrastructure Pvt Ltd (2) (99.99%)
 - Suria Holding (O) Pvt Ltd (1) (30%)
 - Emas Expressway Pvt Ltd (2) (99.99%)
 - WCT Group Sdn Bhd (100%)
 - WCT TSR Sdn Bhd (100%)
 - WCT Construction Sdn Bhd (100%)
 - Intraxis Engineering Sdn Bhd (60%)
 - WCT Machinery Sdn Bhd (100%)
 - WCT Products Sdn Bhd (100%)
 - WCT Engineering Vietnam Company Ltd (6) (100%)
 - W Facade Sdn Bhd (85%)
 - WCT-VPN Company Ltd (6) (70%)
 - WCT International Sdn Bhd (f.k.a. WCT Property Management Sdn Bhd) (100%)
 - *Cebarco-WCT W.L.L. (3) (50%)
 - WCT Bahrain W.L.L. (3) (49%)
 - AES-WCT Contracting (LLC) (4) (49%)
 - Allied WCT LLC (5) (70%)
- Paradigm REIT Management Sdn Bhd (f.k.a. WCT REIT Management Sdn Bhd)** (80%)
- WCT Land Sdn Bhd** (100%)
 - WCT Assets Sdn Bhd (100%)
 - Gabungan Efektif Sdn Bhd (100%)
 - Gemilang Waras Sdn Bhd (100%)
 - Camelia Tropicana Sdn Bhd (100%)
 - Urban Courtyard Sdn Bhd (100%)
 - Atlanta Villa Sdn Bhd (100%)
 - One Medini Sdn Bhd (100%)
 - Kekal Kirana Sdn Bhd (100%)
 - WCT Pioneer Development Sdn Bhd (100%)
 - Segi Astana Sdn Bhd (53%)
 - BBT Hotel Sdn Bhd (100%)
 - BBT Mall Sdn Bhd (100%)
 - Labur Bina Management Sdn Bhd (100%)
 - WCT OUG Development Sdn Bhd (100%)
 - Subang SkyPark Sdn Bhd (60%)
 - SkyPark RAC Sdn Bhd (100%)
 - SkyPark FBO Malaysia Sdn Bhd (85%)
 - Cahaya Ria Sdn Bhd (100%)
 - WCT Acres Sdn Bhd (100%)
 - WCT Properties Sdn Bhd (100%)
 - Jubilant Courtyard Sdn Bhd (100%)
 - WCT Malls Management Sdn Bhd (100%)
 - Platinum Meadow Sdn Bhd (100%)
 - WCT Perkasa Sdn Bhd (80%)
 - Pioneer Acres Sdn Bhd (100%)
 - WCT Hartanah Jaya Sdn Bhd (100%)
 - WCT F&B Management Sdn Bhd (100%)
 - Jelas Puri Sdn Bhd (70%)
 - WCT Malls E-Shop Sdn Bhd (100%)
 - WCT Green Sdn Bhd (100%)
 - Paradigm Mall Management Sdn Bhd (f.k.a. WCT (MM2H) Sdn Bhd) (100%)
 - Core Precious Development (20%)
 - Vista Glory Sdn Bhd (60%)

Incorporated in:

- (1) Republic of Mauritius
- (2) India
- (3) Kingdom of Bahrain
- (4) Dubai, United Arab Emirates
- (5) Sultanate of Oman
- (6) Vietnam
- (7) Singapore

7. BACKGROUND INFORMATION ON THE SPONSOR (Cont'd)

7.1.2 The Sponsor's Share Capital

As at the LPD, the Sponsor's issued share capital is RM3,337,123,427.54 comprising 1,559,814,471 WCTH Shares, which is inclusive of 914,471 treasury shares valued at RM380,613.54.

7.1.3 The Sponsor's Subsidiaries and Jointly-Controlled Entities

The Sponsor's subsidiaries and jointly-controlled entities as at the LPD are as follows:

<u>Name and registration no.</u>	<u>Date and country of incorporation</u>	<u>Issued share capital</u>	<u>Equity interest %</u>	<u>Principal activities</u>
Direct subsidiaries of WCTH				
WCT Berhad / 19810100043 3 (66538-K)	14 January 1981 / Malaysia	RM1,164,739,944.45	100.0	Engineering works specialising in earthworks, construction of highway, building and related infrastructure works, investment and property holding, provision of management services to the subsidiaries and trading in properties
WCT Equity Sdn Bhd / 19970100911 3 (424609-U)	25 March 1997 / Malaysia	RM2.00	100.0	Provision of treasury and fund management services and investment holdings
WCTL / 19940103920 3 (324888-H)	28 November 1994 / Malaysia	RM803,389,904.00	100.0	Investment holding
In-direct subsidiaries of WCTH				
Subsidiaries of WCT Berhad				
WCT Construction Sdn Bhd / 19850100793 7 (140381-U)	28 May 1985 / Malaysia	RM760,000,200.00	100.0	Civil engineering works, specialising in earthworks, highway construction and related infrastructure works
WCT Overseas Sdn Bhd / 19970103430 8 (449807-P)	13 October 1997 / Malaysia	RM2.00	100.0	Investment holding

7. BACKGROUND INFORMATION ON THE SPONSOR (Cont'd)

Name and registration no.	Date and country of incorporation	Issued share capital	Equity interest %	Principal activities
WCT Group Sdn Bhd / 20110100182 5 (929962-M)	17 January 2011 / Malaysia	RM2.00	100.0	Dormant, with the intended business of general trading, land and property investment and investment holding
WCT TSR Sdn Bhd / 20190100087 1 (1310197-U)	9 January 2019 / Malaysia	RM3,000,000.00	100.0	To undertake and complete the main contract work for a 8-level shopping complex project which forms part of the integrated development known as Merdeka 118
WCT International Sdn Bhd / 20100100475 5 (889370-T)	8 February 2010 / Malaysia	RM100,000.00	100.0	Business development, management and investment
WCT (S) Pte Ltd / 200803928Z	28 February 2008 / Singapore	SGD1.00 and USD1,850,000.00	100.0	Investment holding
WCT Engineering Vietnam Company Limited / 0305317548	3 October 2007 / Vietnam	USD300,000.00	100.0	Dormant, with the intended business of construction of civil and industrial project
Cebarco-WCT WLL / 49682-1	11 November 2002 / Kingdom of Bahrain	Bahraini Dinar 250,000	50.0 ⁽¹⁾	Construction works
Allied WCT LLC / 1039949	8 March 2008 / Sultanate of Oman	Omani Riyal 250,000	70.0 ⁽²⁾	Dormant, with the intended business of general on civil construction
Subsidiaries of WCT Construction Sdn Bhd				
WCT Machinery Sdn Bhd / 19960104065 8 (413011-W)	9 December 1996 / Malaysia	RM50,000,000.00	100.0	Hiring and repairing of machineries and public transportation agent
WCT Products Sdn Bhd / 19960100872 3 (381071-A)	25 March 1996 / Malaysia	RM1,000,000.00	100.0	Trading of building materials

7. BACKGROUND INFORMATION ON THE SPONSOR (Cont'd)

Name and registration no.	Date and country of incorporation	Issued share capital	Equity interest %	Principal activities
W Facade Sdn Bhd / 19990100008 0 (474980-D)	5 January 1999 / Malaysia	RM2,000,000.00	85.0 ⁽³⁾	Design, manufacturing, fabrication, installation of facade, aluminium and glazing works
Intraxis Engineering Sdn Bhd / 20030100976 9 (612189-V)	14 April 2003 / Malaysia	RM300,000.00	60.0 ⁽⁴⁾	Civil works for Bakun Hydroelectric Project
Subsidiary of WCT Overseas Sdn Bhd				
WCT (International) Private Limited / 6/2001/9335	23 April 2001 / Republic of Mauritius	USD1.00	100.0	Investment holding
Subsidiary of WCT (International) Private Limited				
WCT (Offshore) Private Limited / 26844/6634	16 May 2001 / Republic of Mauritius	USD2.00	100.0	Investment holding
Subsidiaries of WCT (Offshore) Private Limited				
IWM Constructions Private Limited / PTC 037073	26 July 2001 / India	Indian Rupee ("INR") 60,100,000.00	61.9 ⁽⁵⁾	Engineering, procurement and construction
WCT Infrastructure (India) Private Limited / PTC 041090	3 June 2003 / India	INR100,000.00	99.9 ⁽⁶⁾	Investment holding
Subsidiary of WCT (S) Pte Ltd				
WCT-DPN Company Limited / 0311486456	24 December 2011 / Vietnam	USD25,151,580	70.0 ⁽⁷⁾	Development and management
Subsidiaries of WCTL				
GWSB / 19990102202 2 (496922-H)	20 October 1999 / Malaysia	RM20,000,000.00	100.0	Property development and property investment and management
WCT Properties Sdn Bhd / 19940101529 0 (300970-K)	18 May 1994 / Malaysia	RM27,000,002.00	100.0	Property investment and trading of properties

7. BACKGROUND INFORMATION ON THE SPONSOR (Cont'd)

Name and registration no.	Date and country of incorporation	Issued share capital	Equity interest %	Principal activities
Gabungan Efektif Sdn Bhd / 200201022596 (590259-A)	22 August 2002 / Malaysia	RM15,000,000.00	100.0	Property development
Labur Bina Sdn Bhd / 199501001366 (330560-P)	13 January 1995 / Malaysia	RM34,000,000.00	100.0	Property development and provision of management services to the subsidiary and related companies
WCT Land Resources Sdn Bhd / 200501027239 (709373-K)	12 September 2005 / Malaysia	RM2.00	100.0	Investment holdings
Camellia Tropicana Sdn Bhd / 200501030222 (712359-P)	11 October 2005 / Malaysia	RM250,000.00	100.0	Property development
One Medini Sdn Bhd / 200901017297 (860394-D)	11 June 2009 / Malaysia	RM116,000,000.00	100.0	Property development at Medini, Iskandar Malaysia
Urban Courtyard Sdn Bhd / 201001004445 (889057-M)	4 February 2010 / Malaysia	RM25,250,000.00	100.0	Property development
Platinum Meadow Sdn Bhd / 201001033620 (917543-W)	10 October 2010 / Malaysia	RM236,250,000.00	100.0	Property development
WCT F&B Management Sdn Bhd / 200601019298 (739051-X)	27 June 2006 / Malaysia	RM250,000.00	100.0	Food and beverage management
WCT Assets Sdn Bhd / 201101001826 (929963-H)	17 January 2011 / Malaysia	RM2.00	100.0	Property development

7. BACKGROUND INFORMATION ON THE SPONSOR (Cont'd)

Name and registration no.	Date and country of incorporation	Issued share capital	Equity interest %	Principal activities
WCT Premier Development Sdn Bhd / 20100102750 1 (911420-X)	12 August 2010 / Malaysia	RM338,600,002.00	100.0	Investment holdings
Pioneer Acres Sdn Bhd / 20110101946 5 (947598-A)	6 June 2011 / Malaysia	RM250,000.00	100.0	Property development
Jubilant Courtyard Sdn Bhd / 20110100731 6 (935454-M)	9 March 2011 / Malaysia	RM1,000,000.00	100.0	Property development
WCT Acres Sdn Bhd / 20110102946 6 (957601-P)	18 August 2011 / Malaysia	RM152,000,000.00	100.0	Property development
WCTHJ / 20110103577 7 (963911-K)	12 October 2011 / Malaysia	RM35,000,000.00	100.0	Property development and investment
WCT Pioneer Development Sdn Bhd / 20130103197 9 (1061808-A)	11 September 2013 / Malaysia	RM100,000.00	100.0	Property development
WCT Malls E-Shop Sdn Bhd / 20130103688 8 (1066717-A)	18 October 2013 / Malaysia	RM250,000.00	100.0	Retail sale of any kind of product over the internet and loyalty programme
WCTMM / 20140103525 9 (1111375-U)	1 October 2014 / Malaysia	RM4,000,000.00	100.0	Malls management
WCT Green Sdn Bhd / 20110100182 4 (929961-P)	17 January 2011 / Malaysia	RM26,600,000.00	100.0	Property development and construction
Kekal Kirana Sdn Bhd / 20130101897 9 (1048809-K)	5 June 2013 / Malaysia	RM19,999,999.80	100.0	Property development
PMMSB / 20180101846 2 (1280478-M)	17 May 2018 / Malaysia	RM50,001.00	100.0	Property management

7. BACKGROUND INFORMATION ON THE SPONSOR (Cont'd)

Name and registration no.	Date and country of incorporation	Issued share capital	Equity interest %	Principal activities
Skyline Domain Sdn Bhd / 201701027254 (1241420-D)	2 August 2017 / Malaysia	RM54,500,000.00	100.0	Investment holding
WCT Perkasa Sdn Bhd / 201101005255 (933396-H)	22 February 2011 / Malaysia	RM1,000.00	80.0 ⁽⁸⁾	Land and property development and investment
Atlanta Villa Sdn Bhd / 200901031891 (875001-H)	13 October 2009 / Malaysia	RM250,000.00	100.0	Property development
Cahaya Ria Sdn Bhd / 202401030798 (1576647-P)	30 July 2024 / Malaysia	RM1.00	100.0	To carry on the service related to confinement centre, mother and childcare centre
Subsidiary of Labur Bina Sdn Bhd				
Labur Bina Management Sdn Bhd / 199901005010 (479910-P)	26 March 1999 / Malaysia	RM2.00	100.0	Provision of maintenance and management services on developed property
Subsidiaries of WCT Land Resources Sdn Bhd				
BBT Mall Sdn Bhd / 200501028323 (710458-U)	21 September 2005 / Malaysia	RM2.00	100.0	Special purpose vehicle
BBT Hotel Sdn Bhd / 200601022028 (741781-P)	21 July 2006 / Malaysia	RM20,500,000.00	100.0	Management and operation of hotel
Subsidiary of WCT Premier Development Sdn Bhd				
WCT OUG Development Sdn Bhd / 197301000681 (14216-V)	7 April 1973 / Malaysia	RM1,850,000.00	100.0	Property development, management and investment

7. BACKGROUND INFORMATION ON THE SPONSOR (Cont'd)

<u>Name and registration no.</u>	<u>Date and country of incorporation</u>	<u>Issued share capital</u>	<u>Equity interest %</u>	<u>Principal activities</u>
Subsidiary of Skyline Domain Sdn Bhd				
Subang SkyPark Sdn Bhd / 20070100689 4 (764895-A)	8 March 2007 / Malaysia	RM2,000,000.00	60.0 ⁽⁹⁾	Engaged in the business of the development of commercial aviation related infrastructure and facilities together with its management and operation
Subsidiary of Subang SkyPark Sdn Bhd				
SkyPark RAC Sdn Bhd / 20080102813 9 (829466-V)	14 August 2008 / Malaysia	RM20,200,000.00	100.0	Business of development of hangarage complexes and provision of maintenance, repair, overhaul engineering services
Subsidiary of SkyPark RAC Sdn Bhd				
SkyPark FBO Malaysia Sdn Bhd / 20080101808 4 (819380-P)	28 May 2008 Malaysia	RM1,000,000.00	85.0 ⁽¹⁰⁾	Aircraft hangarage and apron facilities, aircraft parking, aircraft interior and exterior cleaning; business aviation centre lounge services and in-flight catering; and full range of ground services for all aircraft types and models and supply aircraft fuel in all airports, including trip support, meet and greet and transportation services
Jointly-controlled entity of WCTH				
Paradigm REIT Management Sdn Bhd / 20190102385 8 (1333187-V)	8 July 2019 / Malaysia	RM3,300,000.00	80.0 ⁽¹¹⁾	Management of Paradigm Real Estate Investment Trust
Jointly-controlled entity of WCTL				
JPSB / 20050100769 7 (684744-H)	17 March 2005 / Malaysia	RM310,000,000.00	70.0 ⁽¹²⁾	Property investment, management and development

7. BACKGROUND INFORMATION ON THE SPONSOR (Cont'd)

<u>Name and registration no.</u>	<u>Date and country of incorporation</u>	<u>Issued share capital</u>	<u>Equity interest %</u>	<u>Principal activities</u>
Segi Astana Sdn Bhd / 20100103274 0 (916663-H)	1 October 2010 / Malaysia	RM526,026,589.08	53.0 ⁽¹³⁾	To undertake the build-operate-transfer concession, to design, construct and complete an integrated complex ("KLIA2 Integrated Complex") at the terminal ("KLIA2") at Kuala Lumpur International Airport, Sepang, Selangor, Malaysia, comprising a transportation hub, car park and commercial complex
Vista Glory Sdn Bhd / 20210101014 4 (1410443-W)	22 March 2021 / Malaysia	RM174,661,862.28	60.0 ⁽¹⁴⁾	Construction of building not elsewhere classified, activities of holding companies; real estate activities with own or leased property not elsewhere classified

Notes:

- (1) The remaining interest of 50.0% is owned by Cebarco Bahrain S.P.C.
- (2) The remaining interest of 30.0% is owned by Allied Business Corporation L.L.C.
- (3) The remaining interest of 15.0% is owned by Yong Chuan Chin.
- (4) The remaining interest of 40.0% is owned by MTD Construction Sdn Bhd.
- (5) The remaining interest of 38.1% is owned by International MTD Capital (Mauritius) Limited.
- (6) The remaining interest of 0.01% is owned by WCT (International) Private Limited.
- (7) The remaining interest of 30.0% is owned by Southern Land Corporation.
- (8) The remaining interest of 20.0% is owned by Perkasa Bumi Padu Sdn Bhd.
- (9) The remaining interest of 40.0% is owned by Anggun Intelek Sdn Bhd.
- (10) The remaining interest of 15.0% is owned by Subang SkyPark Sdn Bhd.
- (11) The remaining interest of 20.0% is owned by TSMZ.
- (12) The remaining interest of 30.0% is owned by EPF.
- (13) The remaining interest of 47.0% is owned by Malaysia Airports Holdings Berhad.
- (14) The remaining interest of 40.0% is owned by Tanjung Nakhoda (M) Sdn Bhd.

7. BACKGROUND INFORMATION ON THE SPONSOR (Cont'd)

7.1.4 Shareholding Structure of the Sponsor

As at the LPD, the substantial shareholders of the Sponsor as well as their direct and indirect interests based on the Register of Substantial Shareholders of the Sponsor are as follows:

Name	Direct interest		Indirect interest	
	No. of shares	%	No. of shares	%
AmanahRaya Trustees Berhad – Amanah Saham Bumiputera	82,507,345	5.3	-	-
DNSB	257,220,078	16.5	-	-
LPL	-	-	257,220,078 ⁽¹⁾	16.5
TSDL	105,142,753	6.7	257,220,078 ⁽²⁾	16.5

Notes:

- (1) Deemed interested by virtue of its interest in DNSB pursuant to Section 8 of the Companies Act.
- (2) Deemed interested by virtue of his interest in LPL pursuant to Section 8 of the Companies Act.

7.2 RELEVANT EXPERIENCE

Please refer to Section 2.5 “Competitive Strengths and Investment Highlights” of this Prospectus for information on the relevant experience of the Sponsor.

7.3 UNITHOLDINGS OF THE SPONSOR IN PARADIGM REIT

Please refer to Section 6.10 “Unitholdings of the Substantial Shareholders, Directors and Key Management Personnel of the Sponsor and the Manager in Paradigm REIT” of this Prospectus for information on the unitholdings of the Sponsor in Paradigm REIT before and after the Listing.

8. THE TRUSTEE

The following information in this section (save where it relates to the Deed) has been prepared and provided by the Trustee. None of the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners, the Joint Underwriters and any other person has independently verified this information and therefore, none of the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters makes any representation as to the correctness, accuracy or completeness of such information. Accordingly, prospective investors should not place undue reliance on such information.

8.1 CORPORATE INFORMATION

RHB Trustees Berhad was incorporated in Malaysia under the Companies Act 1965 on 6 March 2002 and deemed registered under the Act. It was registered as a trust company under Section 4 of the Trust Companies Act 1949 ("**Trust Companies Act**") on 16 August 2002. The registered address of the Trustee is at Level 10, Tower One, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan, Malaysia. As at the LPD, the issued share capital of the Trustee is RM12,000,000.00 comprising 1,200,000 ordinary shares, paid-up to RM5.00 per share with RM5.00 per share remaining unpaid in accordance with Section 3(c) of the Trust Companies Act.

The principal activity of the Trustee is to provide professional corporate and retail trustee services. The Trustee has been in the trustee business since 2002. As at the LPD, the Trustee's staff strength comprises approximately 40 staff. The Trustee undertakes all types of trustee business allowed under the Trust Companies Act, ranging from corporate trustee services to retail services. The Trustee offers corporate trustee services such as trustee for REITs, unit trust funds, and custodian services. The Trustee's retail services include estate planning services (will writing, custodian and executor/trustee services) and private trustee services (private purpose trust, investment trust, charitable trust, insurance trust, business succession trust, estate administration trust, custodian and stakeholder services). As at the LPD, the Trustee is trustee for more than 14 unit trust funds, 60 wholesale funds, 2 exchange-traded funds with approximate aggregate fund size of RM7.95 billion and 4 listed REITs.

8.2 BOARD OF DIRECTORS OF THE TRUSTEE

The following table sets out information regarding the board of directors of the Trustee as at the LPD:

Name	Designation
Dato' Siow Kim Lun @ Siow Kim Lin	Independent Non-Executive Chairman
Dato' Darawati Hussain	Senior Independent Non-Executive Director
Lim San San	Officer-in-Charge / Non-Independent Executive Director
Dr Chong Han Hwee	Non-Independent Non-Executive Director

8.3 FUNCTIONS, DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

The Trustee's functions, duties and responsibilities are set out in the Deed. The general functions, duties and responsibilities of the Trustee include, but are not limited to the following:

- (i) at all times, through proper and adequate supervision, safeguarding the interests of the Unitholders and will actively monitor the administration of Paradigm REIT by the Manager to ensure that the interests of Unitholders are upheld at all times;
- (ii) acting continuously as trustee under the trust created by the Deed until the trust is terminated as provided in the Deed or until the Trustee has retired from the trust in the manner provided in the Deed;
- (iii) ensuring that Paradigm REIT has, at all times, an appointed Manager;
- (iv) ensuring that the Manager does not make improper use of its position in managing Paradigm REIT to gain, directly or indirectly, an advantage for itself or for any other person or to cause detriment to the interest of the Unitholders;
- (v) exercising all due care, skill, diligence and vigilance as can be reasonably expected from a person exercising the position of a trustee in carrying out its functions and duties and in safeguarding the rights and interests of the Unitholders in accordance with the Deed and the Applicable Laws and Requirements;
- (vi) forwarding to the Manager all notices of meetings, reports, circulars, quit rent, assessment and premium notices, and other notices and documents which are at any time received by the Trustee in respect of any of the assets of Paradigm REIT within 5 Market Days of receipt;
- (vii) ensuring at all times, through proper and adequate supervision, that Paradigm REIT is managed and administered by the Manager in accordance with Paradigm REIT's objectives, any prospectus or supplemental prospectus in relation to any issue of Units required to be issued pursuant to the CMSA (where applicable), the Deed and the Applicable Laws and Requirements and acceptable and efficacious business practices within the real estate investment industry. In ensuring compliance with the requirements and safeguarding the interests of the Unitholders, the Trustee covenants to conduct independent reviews and not only depend on the submission of information by the Manager. It covenants to exercise reasonable diligence in monitoring the function of the Manager in accordance with the provisions of the Deed and to do everything in its power to ensure that the Manager remedies any breach known to the Trustee of the provisions or covenants of the Deed, unless the Trustee is satisfied that the breach will not materially prejudice the Unitholders' interests;
- (viii) notifying the SC as soon as practicable of any irregularity, breach of the Deed, the Applicable Laws and Requirements, or any inconsistency between the provisions of any prospectus or supplemental prospectus in relation to any issue of Units required to be issued pursuant to the CMSA (where applicable), and the provisions or covenants of the Deed or any other matter properly regarded by the Trustee as not being in the interests of Unitholders; and
- (ix) taking all reasonable steps and exercise due diligence to ensure that the assets of Paradigm REIT are valued by the qualified valuer in accordance with provisions of the Deed and the Applicable Laws and Requirements.

8. THE TRUSTEE (Cont'd)

8.4 FINANCIAL INFORMATION OF THE TRUSTEE

The following is a summary of the Trustee's past audited financial performance for the past 3 financial years ended 31 December 2022, 31 December 2023 and 31 December 2024.

	Audited		
	FYE		
	2022	2023	2024
	RM	RM	RM
Paid-up share capital	6,000,000	6,000,000	6,000,000
Shareholders' funds	19,397,503	19,482,012	19,771,674
Revenue	12,878,155	11,875,532	13,142,822
Profit before tax	3,801,078	2,893,295	4,685,772
Profit after tax	2,978,734	2,142,209	3,550,237

8.5 TRUSTEE'S FEE

In accordance with the Deed, Paradigm REIT will pay the Trustee an annual trusteeship fee of up to 0.03% per annum of the NAV of Paradigm REIT (excluding service tax), is to be paid to the Trustee. Other than this, there will be no payment due to the Trustee by way of remuneration for its services upon the subscription for or sale of a Unit and upon any distributions of income and capital or otherwise under the Deed.

The Trustee's fee may only be varied upwards with the prior approval of the Unitholders obtained by way of a resolution of not less than two-thirds of all Unitholders at the Unitholders' meeting duly convened in accordance with the Deed (or such other majority as may be required under the REIT Guidelines from time to time) and shall be effected by way of a supplemental deed in accordance with the requirements of the CMSA.

8.6 RETIREMENT, REMOVAL AND REPLACEMENT OF THE TRUSTEE

8.6.1 Retirement

The Trustee may retire upon giving 6 months' written notice to the Manager (or such shorter period as may be agreed upon with the Manager) whereupon the Manager shall within 3 months after becoming aware of the intention of the Trustee to retire, appoint by way of a deed, a replacement trustee who is eligible to be appointed to act as trustee under the CMSA and who has been approved by the SC.

8.6.2 Removal and Replacement

If the Trustee –

- (i) has ceased to exist;
- (ii) has not been validly appointed;
- (iii) ceases to be eligible to act as trustee pursuant to the CMSA or its appointment as the trustee for Paradigm REIT is revoked by SC;
- (iv) fails or refuses to act as trustee in accordance with the provisions or covenants of the Deed or the provisions of the CMSA;
- (v) has a receiver appointed over the whole or a substantial part of its assets or undertaking and the Trustee has not ceased to act under the appointment, or a petition is presented for the winding up of the Trustee (other than for the purpose

8. THE TRUSTEE (Cont'd)

of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared to be insolvent); or

- (vi) is under investigation for conduct that contravenes the Trust Companies Act, the Trustee Act, 1949, the Companies Act or any securities law and an adverse finding is found,

the Manager shall as soon as practicable after becoming aware of any of the above events take all reasonable steps to remove the Trustee from its appointment under the Deed and appoint by way of deed a replacement trustee which is eligible to be appointed to act as trustee under the CMSA and which has been approved by the SC.

The Trustee may be removed on grounds that the Trustee is in breach of its obligations under the Deed and the Trustee has failed to remedy the breach despite the request from the Manager to remedy the breach and another trustee (which is eligible to be appointed to act as trustee under the CMSA and duly approved by the SC) appointed if the Unitholders decide on such removal and replacement by a special resolution (or otherwise in accordance with the requirements of the REIT Guidelines), passed at a duly convened meeting which is requisitioned by the Unitholders in the manner provided in the Deed.

Nothing in the Deed limits the right of the SC under the CMSA to remove the Trustee and appoint a replacement on the SC's own accord, or on the application of the Manager or of a Unitholder, on any of the grounds stated in paragraphs (i) to (vi) above.

8.7 TRUSTEE'S RESPONSIBILITY STATEMENT

The Trustee has given its willingness to assume the position as trustee of Paradigm REIT and all the obligations in accordance with the Deed and all the Applicable Laws and Requirements.

8.8 MATERIAL LITIGATION AND ARBITRATION

As at the LPD, the Trustee and its delegates are not currently involved in any existing, pending or threatened litigation proceedings, claims, demands, disputes, mediation or arbitration proceedings, commenced, taken up/instituted or threatened by or against the Trustee or its delegates in their own capacity that might materially affect the business and financial position of the Trustee or its delegates, to act in the capacity as trustee of Paradigm REIT.

8.9 DELEGATION OF THE TRUSTEE'S FUNCTION

As at the LPD, none of the Trustee's function in relation to Paradigm REIT has been delegated.

9. PROPERTY MANAGER

The following information in this section (save where it relates to the Property Management Agreement) has been prepared and provided by the Property Manager. None of the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners, the Joint Underwriters and any other person have independently verified this information and therefore, none of the Manager, the Sponsor, the Selling Subsidiary, the Principal Adviser, the Joint Bookrunners and the Joint Underwriters make any representation as to the correctness, accuracy or completeness of such information. Accordingly, prospective investors should not place undue reliance on such information.

9.1 PROPERTY MANAGER'S INFORMATION

The Property Manager, Henry Butcher Malaysia (Mont Kiara) Sdn Bhd was incorporated on 18 June 2015 under the Companies Act 1965 and is deemed registered under the Companies Act. The Property Manager is registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia and is principally involved in property management, property valuation, real estate agency and consultancy services in the property field.

9.2 FUNCTIONS, DUTIES AND RESPONSIBILITIES OF THE PROPERTY MANAGER

The Trustee, the Manager and the Property Manager entered into the Property Management Agreement on 7 April 2025 for the appointment of the Property Manager to provide property management services to manage, operate and maintain all the properties acquired by the Trustee (as trustee for Paradigm REIT) or the SPV(s) of Paradigm REIT, including the Subject Properties commencing from the completion date of the Acquisitions as contemplated under the SPAs, upon the terms and conditions contained in the Property Management Agreement.

The services provided by the Property Manager for each property under its management include the following:

- (i) property management and maintenance services, including operation, repair and maintenance of the property, recommending, engaging and/or reviewing third party contracts for provision of property maintenance, supervision and control of maintenance and repairs, ensuring compliances with building and safety regulations and all statutes, laws, rules and regulations, orders and requirements of any government and appropriate departments, commissions, boards and offices, arranging and taking out property insurance, submitting applications to the appropriate regulatory authorities for the licences, permissions and consents required relating to the operation in timely manner, maintenance, management or improvement of the property, advising on improvement and upgrading to enhance income yields and capital value of the property and establishing preventive maintenance policies for the lifts, escalators, air-conditioning and mechanical ventilation systems, electrical apparatus, plumbing apparatus, pumps, sanitary units, security system and fire protection apparatus;
- (ii) financial management services, including assisting the Manager and/or the Trustee in respect of the financial, cost and budgetary coordination, administration and measurement, establishment and keeping of information and records to effect cost and budgetary control, preparation of budgets for management operation, procedures for monitoring budgetary performance and compliance and monthly and annual reports as well as analysis of operation performance;
- (iii) letting and tenancy management services, including overseeing the leasing process, coordinating handover of premises and tenants' fitting-out requirements, administration of rental collection and management of rental arrears and rental collection policies and practices and formulating letting policies and advising on tenancy, lease, license and concession terms and conditions;

9. PROPERTY MANAGER (Cont'd)

- (iv) information technology services including provision of computers, software, networks and other technological tools to store, retrieve, transmit and manipulate information and data of Paradigm REIT or the properties of Paradigm REIT or any Intellectual Property (as defined in section 9.6(v) of this Prospectus) (collectively, the "IT Solutions"), systems maintenance, development and technology risk management including maintenance of all existing IT Solutions, software and systems to ensure smooth functioning of the operations, development of new systems where necessary, with the consultation and approval of the Manager, deployment and regular updating of cyber security software and measures and compliance with the data and information security policies of the Manager at all times;
- (v) reporting system services, including submission of the relevant report relating to the management of the property to the Manager and/or the Trustee, either on a monthly, quarterly or annual basis, the frequency depending on the nature and types of reports; and
- (vi) professional services, including advising on capital value, assessment value and consulting with other professionals in legal, technical, financial and accounting matters, if and whenever necessary.

Please refer to Section 9.6 "Salient Terms of the Property Management Agreement" of this Prospectus for further details of the Property Management Agreement.

9.3 EXPERIENCE IN PROPERTY MANAGEMENT AND PROPERTIES MANAGED

Henry Butcher Malaysia (Mont Kiara) Sdn Bhd has extensive experience in property management since its incorporation in 2015. It offers a comprehensive array of services, ranging from building and maintenance management, financial and administrative management, insurance management, health, safety and emergency management, ensuring the highest standards of service across its diverse portfolio. The Property Manager currently manages more than 100 prestigious properties across Malaysia, including landmark development such as Pavilion Damansara Heights, Four Seasons Place Kuala Lumpur, Arcoris Mont Kiara, Star Residences, The Five @ KPD and The Stories of Taman Tunku. The Property Manager's commercial property portfolio includes renowned assets held by Tower Real Estate Investment Trust. In addition to managing branded residences and corporate offices, the Property Manager also brings significant experience in overseeing specialized facilities and various educational institutions across Peninsular Malaysia supported by over 1,000 personnel and service providers.

9.4 INFORMATION ON KEY PERSONNEL

The profile of the key personnel of the Property Manager who is involved in the management of the Subject Properties is as follows:

(i) **Sr. Low Hon Keong**

Sr. Low Hon Keong is the Managing Director of Henry Butcher Malaysia (Mont Kiara) Sdn Bhd. He is a registered valuer and property manager under the Board of Valuers, Appraisers, Estate Agents and Property Managers. He holds a Bachelor of Science in Property Management from Universiti Teknologi Malaysia. He is a member of both the Malaysian Institute of Professional Property Managers and the Royal Institution of Surveyors Malaysia.

With over 20 years of experience in property management, he has managed a diverse range of properties, including luxury residential developments, special-purpose buildings, mixed developments, high-end corporate and commercial projects, retail properties and specialised facilities.

9. PROPERTY MANAGER (Cont'd)

He is well-versed in the statutory laws and regulations relating to property management, and experienced in organising general meetings of management corporations and joint management bodies. He provides consultancy services on building operations and maintenance to management corporations, joint management bodies and building owners.

He has experiences in managing properties for REITs, formation of sub-management corporations and he actively advises property developers on calculating service charges and handover of vacant possession.

(ii) Ronny Yong Mun Kim

Ronny Yong Mun Kim is the Executive Director of Henry Butcher Malaysia (Mont Kiara) Sdn. Bhd. He is a registered property manager under the Board of Valuers, Appraisers, Estate Agents, and Property Managers. He holds a Bachelor in Finance and Marketing from Curtin University of Technology in Perth, Australia. Currently, he is responsible for coordinating business presentations and managing all existing and potential clients of the Property Manager.

He consistently delivers insightful reports on business development activities, highlighting achievements and addressing challenges of the Property Manager. Through meticulous data analysis, he evaluates the effectiveness of strategies, offering valuable recommendations for continuous improvement of the Property Manager.

In addition, he actively participates in industry events, conferences and networking functions, fostering key relationships and staying abreast of evolving industry trends. His commitment extends to the ongoing assessment and enhancement of business development processes and strategies, ensuring the Property Manager remains agile and responsive in a dynamic market.

He also takes charge of daily operations, offering insightful recommendations for operational enhancements of the Property Manager. His responsibilities extend to the development of cash flows, profit and loss projections and maintaining effective communication channels with clients.

9.5 PROPERTY MANAGEMENT FEE

The Property Manager is entitled to receive RM25,000.00 (excluding any applicable tax) per month (equivalent to RM300,000.00 (excluding any applicable tax) per annum) for the management and operation of the Subject Properties. In addition, the Property Manager is also entitled to full reimbursement of costs and expenses properly incurred in the operation, maintenance, management and marketing of the Subject Properties in accordance with the terms and conditions of the Property Management Agreement.

The property management fee is payable to the Property Manager in the form of cash.

9.6 SALIENT TERMS OF THE PROPERTY MANAGEMENT AGREEMENT

- (i) Subject to the right of termination under the Property Management Agreement, the appointment of the Property Manager shall commence from the date of completion of the Acquisitions and shall unless terminated in accordance with the Property Management Agreement, continue for an initial period of 3 years and may be extended for a further term of 2 years with the agreement of the Trustee and Manager on such terms and conditions as may be mutually agreed between the parties.
- (ii) The functions, duties and responsibilities of the Property Manager under the Property Management Agreement is summarised in Section 9.2 “Functions, Duties and Responsibilities of the Property Manager” of this Prospectus.

9. PROPERTY MANAGER *(Cont'd)*

- (iii) The Property Management Agreement may be terminated in accordance to the terms and conditions therein under any one of the following circumstances:
- (a) any party has a resolution passed for its winding-up or an order is made for the winding-up, insolvency, administration, judicial management or similar order for the benefit of the creditors, dissolution or bankruptcy of that party otherwise than a resolution for reconstruction or amalgamation;
 - (b) a petition is presented or a proceeding is commenced for the winding-up, administration or rearrangement of a party and such petition is not withdrawn, stayed or set-aside within 60 days of its presentation;
 - (c) any party has a provisional liquidator, receiver, manager, judicial manager, administrator, trustee or similar officer appointed in respect of a substantial part of its business or assets on behalf of any creditor(s);
 - (d) any party is unable or admits its inability to pay its debts as they fall due or seeks to enter into any composition or other arrangement with its creditors or is declared or becomes bankrupt or insolvent; or if a creditor takes possession of all or any part of the business or assets of that party or any execution or other legal process is enforced against that party and is not stayed, set aside, settled or discharged within 60 days;
 - (e) where the Trustee fails to perform or fulfil any of its payment obligations due to the Property Manager under and pursuant to the Property Management Agreement and the Trustee fails within 30 days of the date of receipt of notice from the Property Manager to remedy the breach or the matter;
 - (f) where the Property Manager fails to fulfil its obligations on the provision of the management services under and pursuant to the Property Management Agreement and the Property Manager fails within 30 days of the date of receipt of notice from the Trustee or the Manager to remedy the breach or the matter; or
 - (g) upon occurrence of any force majeure event which results in the failure of the Property Manager to deliver a substantial majority of its obligations for at least 2 months;
 - (h) the termination of Paradigm REIT in accordance with the provisions of the Deed;
 - (i) the Property Manager changes or threatens to change the nature or scope of its business, suspends, or threatens to suspend a substantial part of the present business operations;
 - (j) the revocation of the Property Manager's licence or the Property Manager is no longer legally qualified to act in its capacity as a property manager;
 - (k) the Manager ceases to act as the management company of Paradigm REIT; or
 - (l) the SC issues a direction to the Trustee, the Manager or the Property Manager for the termination of the appointment of the Property Manager or any service providers under securities laws, guidelines, guidance or practice notes issued by the SC.

9. PROPERTY MANAGER (Cont'd)

For the purposes of this paragraph (iii), “**force majeure event**” means any act of God, fire, flood, storm, earthquake, earth movement, landslide, insects, epidemic, pandemic, illness, disease, infestation, lightning, act/order/control by law or of government or state or other authorities, blockade, sanction, disruption, hostilities (whether war is declared or not), war, terrorist activities, riot, civil commotion, insurrection, embargo, strikes, lockout, lockdown, prohibitive governmental regulations or other similar causes beyond the control of the parties which renders performance of the Property Management Agreement impossible.

- (iv) Notwithstanding paragraph (iii) above, either party shall have the right to terminate the Property Management Agreement for whatsoever reason and without having to assign any reasons by giving to the other party a 3 months’ prior notice in writing provided always that the party terminating the Property Management Agreement is not in breach of any of the provisions of the Property Management Agreement.
- (v) The Trustee, the Manager and the Property Manager acknowledge and agree that, unless otherwise mutually agreed between the parties, the ownership and all proprietary rights relating to data or information generated in the performance of the management services by the Property Manager or through its service providers (whether registered or not, registrable or not, owned, to be ascertained or of future nature or whether subsisting) together with –
 - (a) the copyright and all other intellectual property rights in relation to any of such data and information and the copyright in any translation or adaptation of them;
 - (b) the right to apply for trade mark or other protection in respect of any of such data and information; and
 - (c) the goodwill (whether existing at the date hereof or created pursuant to this Agreement) in respect of any of such data and information,

(collectively, the “**Intellectual Property**”) shall vest in Paradigm REIT (“**Intellectual Property Rights**”). Paradigm REIT shall have the right to make full use of the Intellectual Property in all aspects, including, without limitation, production, business operation, transfer or licensing to a third party.

9.7 UNITHOLDING OF THE PROPERTY MANAGER IN PARADIGM REIT

As at the LPD, the Property Manager may wish to apply for units under the Institutional Offering.

9.8 SERVICE PROVIDERS TO PROVIDE PERSONNEL AND IT SOLUTIONS TO THE PROPERTY MANAGER

Pursuant to the Property Management Agreement, the Property Manager may appoint any third-party service provider to, among others, provide personnel in order for the Property Manager to carry out its services under the Property Management Agreement to the best of its abilities provided that the appointment of such third-party service providers has been approved by the Manager and the Trustee. The fees of such third-party service providers will be determined based on the approved annual business plan and budget from time to time. The Property Manager is entitled to reimbursement of costs and expenses properly incurred in the operation, maintenance and management of the Subject Properties, including fees and reimbursements for similar permissible expenses payable to its service providers. Subject to the above, the Manager, with the consent of the Trustee and concurrence of the Property Manager, may in writing, and at the option of the Manager instruct the Trustee to make payment directly to the service providers.

9. PROPERTY MANAGER *(Cont'd)*

The Property Manager shall ensure that the engagement letter(s) or service level agreement(s) to be executed between the Property Manager and any Service Providers contains the following principal terms and conditions:

- (i) Scope of services.
- (ii) Experience, knowledge, capability and facilities of such Service Providers.
- (iii) Experience and qualification of the key personnel of such Service Providers.
- (iv) Fees and related charges.
- (v) Back-up policies and procedures.
- (vi) Security policies, procedures and controls to enable the protection of confidentiality and security of the unitholders of the Paradigm REIT.
- (vii) Contingency plans implemented by such Service Provider to mitigate any adverse impact arising from the discontinuity and disruption to the provision of the services provided by such Service Provider.

The Property Manager had on 7 April 2025 entered into a Service Provider Agreement with PMMSB, a wholly owned subsidiary of WCTL, which in turn is a wholly-owned subsidiary of the Sponsor, where the Property Manager appointed PMMSB to provide (1) personnel with necessary qualifications, expertise, experience and internal working and operational knowledge of the properties; (2) the IT Solutions including such information technology software, system and solutions which are necessary to assist the Property Manager in providing and carrying out the its services under the Property Management Agreement and payroll system, accounting software, leasing monitoring system and facility operations and management solution; and (3) such additional services to be mutually agreed upon by the Property Manager and PMMSB from time to time, commencing from the commencement date of the Property Management Agreement, in accordance with the terms and conditions of the Service Provider Agreement.

All the IT Solutions including the data management and reporting systems specific to the Subject Properties will be directly contracted by PMMSB with the relevant third party suppliers, granting Paradigm REIT the right to use these systems. PMMSB will hold the license for these IT Solutions. All the Intellectual Property Rights generated in the performance of the services through PMMSB shall vest in Paradigm REIT under the terms of the Service Provider Agreement.

10. SALIENT TERMS OF THE DEED

The Deed is a complex document and the following is a summary only and is qualified in its entirety by, and is subject to, the contents of the Deed. Certain salient terms of the Deed are summarised in other sections of this Prospectus. Recipients of this Prospectus and all prospective investors in the Units should refer to the Deed itself to confirm specific information or for a detailed understanding of Paradigm REIT. The Deed is available for inspection at the registered office of the Manager.

10.1 THE DEED

Paradigm REIT is a REIT constituted by the Deed, as entered into between the Trustee and the Manager on 11 March 2025. The Deed came into effect on 13 March 2025 when it was registered with the SC.

Each Unitholder and all persons claiming through it shall be entitled to the benefit of and shall be bound by the terms and conditions of the Deed and any supplementary deed as if it had been a party thereto and as if the Deed contained covenants on the part of each Unitholder to observe and be bound by all the provisions thereto and an authorisation by each Unitholder to do all such acts and things as the Deed may require the Trustee or the Manager (as the case may be) to do.

Pursuant to the Deed, the Trustee shall hold the assets of Paradigm REIT upon trust for the Unitholders. The assets of Paradigm REIT are to be vested in and to the order of the Trustee but are held separate from the assets of the Trustee or the Trustee as trustee of all other assets.

The Manager and the Trustee shall in performance of their respective duties under the Deed with respect to Paradigm REIT at all times comply with applicable provisions of the Applicable Laws and Requirements, subject to compliance with any applicable waiver or exemption given by any relevant regulatory authority (including the SC or Bursa Securities, as the case may be) in respect of the Applicable Laws and Requirements.

Please refer to Information Summary – “Fees and Charges” of this Prospectus for a summary of fees payable to the Manager and the Trustee; Section 6.6 “Management Fees” of this Prospectus for further details of the Management Fees payable to the Manager and Section 8.5 “Trustee’s Fee” of this Prospectus for further details of the fees payable to the Trustee, pursuant to the terms of the Deed.

The Deed is governed by, and shall be construed in accordance with, the laws of Malaysia.

10.2 NATURE OF UNITS

Each Unit is of equal value and represents an undivided right or interest in Paradigm REIT. There is only one class of Units in Paradigm REIT, and all issued Units rank *pari passu* provided the Issue Price is fully paid. A Unit shall not confer any interest in any particular Deposited Property held by the Trustee on the trust of the Deed but only such interest in Paradigm REIT as a whole as is conferred on a Unit under the provisions of the Deed, subject to the liabilities of Paradigm REIT.

10.3 RIGHTS OF UNITHOLDERS

The Units shall confer on the Unitholders the rights to receive distribution entitlements and such other rights, benefits, entitlements and privileges as are conferred on the Units or attached to the Units by the provisions of the Deed, including the right to take any action against the Manager and the Trustee for any breach of their respective duties as set out in the Deed.

10. SALIENT TERMS OF THE DEED (Cont'd)

10.4 LIMITATION ON LIABILITIES OF UNITHOLDERS

The liability of each Unitholder shall be limited to the Unitholder's investment in Paradigm REIT. Notwithstanding any other provisions of the Deed, no Unitholder shall be required to indemnify the Trustee or the Manager or any of their creditors against any liability of the Trustee or the Manager in respect of Paradigm REIT.

10.5 CREATION OF UNITS

The Manager is to ensure that any method of offering of Units for the Listing includes an offering of Units to the general public. Where the method of offering includes an offer for sale of existing Units, the Manager is to ensure that all expenses of such offer for sale is borne by the offerors and not Paradigm REIT. The Manager shall ensure that the offering of Units pursuant to the Listing shall be in compliance with the Applicable Laws and Requirements.

Applications for Units in relation to any listing shall be made in accordance with the Prospectus, unless the issue is of a nature that does not require a Prospectus under the Applicable Laws and Requirements. The Manager shall have the absolute discretion as to whether to allot and issue any Units pursuant to an application without assigning any reasons for its decision.

Subject to the Applicable Laws and Requirements, the Manager shall determine the Issue Price, on market-based principles, taking into account the best interests of Paradigm REIT and the Unitholders. Where Units are issued or offered to the Related Parties as part of the Listing, the price of the Units issued or offered to any such Related Party must be at least the offer price to the general public. Upon the Listing, the price of the Units should be the price quoted on the Main Market of Bursa Securities.

A Unit shall be deemed to have been issued to the person entitled to such Unit when the name of such person has been entered onto the Record of Depositors.

Any other issuance of additional new Units by Paradigm REIT shall, unless otherwise permitted by Bursa Securities, be subject to the Unitholders' approval by way of an ordinary resolution and the Applicable Laws and Requirements.

10.6 SUSPENSION OF, DEALING IN AND ISSUE OF UNITS

(i) Suspension of dealing in Units

The Manager or the Trustee may, with the prior written approval of the other party and subject to the Listing Requirements, suspend the dealing of the Units in any of the following events:

- (a) any period when Bursa Securities is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;
- (b) the existence of any state of affairs which, in the opinion of the Manager or the Trustee (as the case may be) might seriously prejudice the interests of the Unitholders as a whole or of the assets of Paradigm REIT;
- (c) any breakdown in the means of communication normally employed in determining the NAV of Paradigm REIT, or when for any reason the NAV of Paradigm REIT cannot be promptly and accurately ascertained;
- (d) any period when remittance of money which will or may be involved in the realisation of any assets of Paradigm REIT or in the payment for such assets of Paradigm cannot, in the opinion of the Trustee, be carried out at normal rates of exchange;

10. SALIENT TERMS OF THE DEED (Cont'd)

- (e) in relation to any meeting of Unitholders, the period of 48 hours before such meeting of Unitholders or any adjournment thereof;
- (f) any period where the issuance of Units is suspended pursuant to any order or direction issued by Bursa Securities or any other authorised regulatory body;
- (g) when the business operations of the Manager or the Trustee in relation to Paradigm REIT are substantially interrupted or closed as a result of, or arising from pandemic, epidemic, pestilence, acts of war, terrorism, insurrection revolution, civil unrest, riots, strikes or acts of God; or
- (h) any circumstances in the opinion of the Trustee, after consultation with the Manager and subject to the REIT Guidelines and the Listing Requirements, where there is a good and sufficient reason to do so in the interests of the Unitholders or the potential investors.

This suspension will take effect forthwith upon the declaration in writing of the same by the Manager or the Trustee (provided that prior written approval of the other is obtained) and shall terminate upon the declaration in writing of the same by the Trustee on the day following the first Market Day on which the condition giving rise to the suspension ceases to exist but in any event no later than 21 days from the commencement of the suspension.

The Manager or the Trustee will further ensure that immediate notification of such suspension is made to the SC, stating the reason for suspension and the proposed resumption of dealings in the Units and the date of the proposed resumption. The Manager shall also ensure that immediate announcement of such suspension and its cessation is made to Bursa Securities.

(ii) Suspension of issue of Units

The Manager or the Trustee may, with the prior written approval of the other and subject to the Listing Requirements, suspend the issue of Units during exceptional circumstance which in the opinion of the Trustee and the Manager provide good and sufficient reason to do so, having taken into consideration the interests of the Unitholders. Such suspension will take effect forthwith upon the written approval by the Manager or the Trustee pursuant to any the declaration in writing of the same by the other and shall terminate upon the written approval by the Manager or the Trustee pursuant to any declaration in writing of the same by the other which will be made after the condition or any other conditions giving rise to the suspension ceases to exist subject always to the Applicable Laws and Requirements.

10.7 REPURCHASE OF UNITS

The Manager is not obliged to repurchase the Units. In the event the Manager decides to repurchase the Units, such repurchase must comply with the Listing Requirements and the Applicable Laws and Requirements. The Manager may, subject to the Listing Requirements and the Applicable Laws and Requirements, suspend the repurchase of Units for any period when the issue of Units is suspended.

The Manager may repurchase the Units if it has obtained the prior approval of the Unitholders by way of an Ordinary Resolution ("**Unit Buy-back Mandate**"), in accordance with the provisions of the Deed but subject to the Listing Requirements and the Applicable Laws and Requirements.

10. SALIENT TERMS OF THE DEED (Cont'd)

The total number of Units which may be repurchased pursuant to any Unit Buy-back Mandate is limited to that number of Units which will result in Paradigm REIT holding an aggregate of not more than 10.0% of the total number of issued Units as at the date of the repurchases, subject to the Listing Requirements and the Applicable Laws and Requirements.

The repurchase price to be paid for the Units will be determined by the Board in its absolute discretion, subject to the Listing Requirements and the Applicable Laws and Requirements.

Where all the Units or a specified number of Units held by a Unitholder have been repurchased by the Manager, the Manager shall amend, or procure the amendment of, the details of the register of Unitholders, in respect of such number of Units.

Units which are repurchased shall thereupon be cancelled and shall not thereafter be reissued but this shall not limit or restrict the right of the Manager to cause the creation and/or issue of further or other Units.

The Manager must ensure that any repurchase of Units is made wholly out of retained profits of Paradigm REIT, subject always to the Listing Requirements and the Applicable Laws and Requirements.

10.8 VENDOR UNITS

Subject to the Applicable Laws and Requirements, the Manager may only offer Units to vendors as consideration (in whole or in part) for the Authorised Investments proposed to be acquired by Paradigm REIT at a price determined by the Manager and approved by the Trustee if the following conditions are met so long as Paradigm REIT is listed on Bursa Securities:

- (i) the terms and conditions of the acquisition are approved by the Unitholders pursuant to the REIT Guidelines;
- (ii) neither the Manager nor the person to whom the Units are to be issued nor any associated person of that person votes in relation to the above approval of the Unitholders pursuant to the REIT Guidelines; and
- (iii) if and to the extent required, the acquisition is approved by the SC and any other regulatory authority.

10.9 DISTRIBUTABLE INCOME

The Distributable Income of Paradigm REIT for each Distribution Period shall be the Net Income for the Distribution Period adjusted (in whole or in part) as deemed necessary by the Manager in the interest of Paradigm REIT and the Unitholders for the following effects which may or may not have been recorded in the profit or loss for the relevant Distribution Period:

- (i) the portion of Management Fees paid or payable in Units;
- (ii) amortisation and other non-cash expenses or gains;
- (iii) valuation gain/loss on investment properties and financial instruments;
- (iv) depreciation or impairment of assets;
- (v) any other entries, provisions, write-offs or adjustments required by the approved accounting standards;

10. SALIENT TERMS OF THE DEED (Cont'd)

- (vi) expenses/loss which is charged to the profit or loss relating to the issuance of new units or expenses that is capital in nature; and
- (vii) unamortised costs which have been paid and incurred but had not been expensed off to the profit or loss other than those incurred for issuance of units or raising of funds.

The Distributable Income which the Manager may distribute for any Distribution Period shall, among others, take into consideration the following:

- (i) total returns for the period;
- (ii) income for the period;
- (iii) cash flow for distribution;
- (iv) stability and sustainability of distribution of income; and
- (v) the investment objective and distribution of income,

subject to meeting the requirement to distribute at least 90% of Paradigm REIT's total income (as defined under the Income Tax Act 1967) to achieve tax transparency under Section 61A of the Income Tax Act 1967.

All (or such lower percentage as determined by the Manager in its absolute discretion) of the Distributable Income will be distributed among the persons who on the relevant Book Closing Date for a Distribution Period are Unitholders, in proportion to their Units. Each Unitholder's entitlement to the Distributable Income is to be determined in accordance with the following formula:

Distribution Entitlement = % of DI x UH/UI

where:

DI	=	Distributable Income;
UH	=	the number of Units held by the Unitholder at the close of business on the Book Closing Date for the relevant Distribution Period adjusted to the extent it is entitled to participate in the Distributable Income; and
UI	=	the total number of Units in issue in Paradigm REIT at the close of business on the Book Closing Date for the relevant Distribution Period adjusted to the extent it is entitled to participate in the Distributable Income.

10.10 INVESTMENTS OF PARADIGM REIT

10.10.1 Authorised Investments

Subject to investment limits as stated below in Section 10.10.2 "Investment Limits" of this Prospectus and the REIT Guidelines, Paradigm REIT may invest in any Authorised Investments.

The Trustee must take into its custody, or under its control (in the event of delegation of custody), the Deposited Property and hold the Deposited Property for the Unitholders in accordance with the Deed and the Applicable Laws and Requirements. The Deposited Property shall be registered in the name of the Trustee for and on behalf of the Unitholders, or assigned to the Trustee for and on behalf of the Unitholders, or to the order of Paradigm REIT.

10. SALIENT TERMS OF THE DEED (Cont'd)

For the avoidance of doubt, the Manager may use financial derivatives including but not limited to entering into futures, forwards, options and swaps contracts for the purpose of hedging of its risk exposures of Paradigm REIT.

10.10.2 Investment Limits

- (i) In exercising its powers to make investment on behalf of Paradigm REIT, and subject to limits as may be prescribed by the SC or the REIT Guidelines from time to time, the Manager must ensure that –
 - (a) at least 75% of the Total Asset Value of Paradigm REIT must be invested in Real Estate Assets that generate recurrent rental income at all times;
 - (b) the aggregate investments in property development activities (property development costs) and real estate under construction must not more than 15% of the Total Asset Value of Paradigm REIT; and
 - (c) such other investment or limits as may be permitted by the SC or under the REIT Guidelines,
- (ii) Where Paradigm REIT fails to comply with any of the prescribed limits and restrictions under this section 10.10.2(i) and/or the REIT Guidelines, the Manager must:
 - (a) notify the SC within 3 business days after it becomes aware of such breach;
 - (b) take all necessary steps and actions to rectify the breach, and must not enter into any transaction that could increase the extent of the breach; and
 - (c) notify the SC as soon as practicable where such breach has been rectified.
- (iii) Subject to section 10.10.2(v), where the breach of limits and restrictions as prescribed in the REIT Guidelines is a result of an appreciation or depreciation of the Total Asset Value, the Manager must rectify such breach within a period of not more than 3 months from the date it becomes aware of such breach. Notwithstanding therewith, the 3-month period may be extended if it is in the best interest of the Unitholders and the Trustee's consent is obtained. In the event the 3-month period is extended, the Manager must notify the SC and Unitholders on the progress of the rectification of the breach through quarterly reports.
- (iv) If Paradigm REIT fails to comply with investment limits set out in section 10.10.2(i)(a) as a result of disposals of Deposited Property, divestments or issuance of new units, the Manager shall take all necessary steps and actions to rectify the breach within a period of 12 months from the date of the breach.
- (v) For investments in Non-Real Estate Assets, a 5% allowance in excess of any limit or restriction is permitted where the limit or restriction is breached through an appreciation or depreciation in the Total Asset Value.

10.10.3 Restrictions on Investments/Activities

Without limiting the generality of the following, and subject always to the provision of the REIT Guidelines, Paradigm REIT shall not at any time be involved in the following activities:

- (i) the extension of loans, financing facilities or other credit facilities to any person;

10. SALIENT TERMS OF THE DEED (Cont'd)

- (ii) acquisition of vacant land, except for the purpose of property development activities permitted by the SC pursuant to the REIT Guidelines; and
- (iii) any other activity which does not comply with the REIT Guidelines and where no waiver from the SC is obtained to exempt compliance with the relevant guideline.

10.10.4 Investment Policy

- (i) The principal investment policy of Paradigm REIT is to invest, directly and indirectly in a diversified portfolio of income producing Real Estate Assets used for retail, commercial, office, industrial and hospitality purposes and such other Non-Real Estate Assets.
- (ii) The Manager may, subject to all Applicable Laws and Requirements, from time to time change the investment policy of Paradigm REIT.
- (iii) The Trustee shall ensure that it is fully informed at all times of the investment policies and of changes made by the Manager to the investment policies of Paradigm REIT. If the Trustee is of the opinion that the investment policies are not in the interest of the Unitholders, the Trustee shall, after considering any representation made by the Manager, instruct the Manager to take such appropriate action as the Trustee deems fit and/or summon a Unitholders' meeting to give such instructions to the Trustee as the meeting thinks proper, including to amend the investment policies of Paradigm REIT.
- (iv) Unless otherwise provided by the Applicable Laws and Requirements, any modification to the Deed involving any material change in the investment policy set out for Paradigm REIT, must be approved by the Unitholders by way of a resolution of not less than two-thirds of all Unitholders at the Unitholders' meeting duly convened and held in accordance with the Deed.

10.11 CONCERNING THE TRUSTEE

The Trustee is responsible for the safe custody of the Deposited Property. Any Authorised Investment forming part of the Deposited Property, whether in bearer or registered form, is to be paid, assigned or transferred to or to the order of the Trustee forthwith on receipt by the Manager and is to be dealt with as the Trustee may think proper for the purpose of providing for the safe custody of the same.

The Trustee may act as custodian of the Deposited Property itself or the Trustee may delegate this role to another person as custodian or joint custodians (with the Trustee if acting as custodian or with any other custodian appointed by the Trustee) of the whole or any part of the Deposited Property and (where the Trustee is custodian) may appoint or (where the Trustee appoints a custodian) may empower such custodian or joint custodian (as the case may be) to appoint with the prior consent in writing of the Trustee, sub-custodians. Any such delegation can only be carried out by the Trustee in compliance with the REIT Guidelines and the Trustee shall remain responsible for the actions and omissions of any delegate as though they were its own actions and omissions.

The Trustee will be at liberty to institute, acknowledge service of, appear in, prosecute or defend any action, suit, proceedings or claim in respect of the provisions of the Deed or in respect of the Deposited Property or any part thereof or any corporate or Unitholders' action which in its opinion would or might involve it in expense or liability unless the Manager shall so request in writing, and shall so often as required by the Trustee furnished it with an indemnity satisfactory to it against any such expense and liability.

10. SALIENT TERMS OF THE DEED (Cont'd)

Except if and so far as otherwise expressly provided in the Deed, the Trustee as regards all the trusts, powers, authorities and discretions vested in it has absolute and uncontrolled discretion as to the exercise of the same, whether in relation to the manner or as to the mode of and time for such exercise, and in the absence of fraud, gross negligence, wilful default, breach of the Deed or breach of trust, the Trustee shall not be in any way responsible for any loss, costs, damages or inconvenience that may result from the exercise or non-exercise of the same.

10.12 FUNCTIONS, DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

Please refer to Section 8.3 “Functions, Duties and Responsibilities of the Trustee” of this Prospectus for details of the functions, duties and responsibilities of the Trustee.

10.13 RETIREMENT, REMOVAL AND REPLACEMENT OF THE TRUSTEE

Please refer to Section 8.6 “Retirement, Removal and Replacement of the Trustee” of this Prospectus for details of the retirement, removal and replacement of the Trustee.

10.14 LIMITATION OF LIABILITY AND INDEMNITY OUT OF THE TRUSTEE

Subject as expressly provided under the Deed and the Applicable Laws and Requirements and without prejudice to any right of indemnity at law given to the Trustee, the Trustee shall be entitled for the purpose of indemnity in full against any actions, costs, claims, damages, expenses or demands to which it may be put as Trustee to have recourse to the Deposited Property or any part thereof:

- (i) if the same are not caused by any fraud, gross negligence, wilful default, a breach of the Deed or a breach of trust on the part of the Trustee; or
- (ii) where a majority of not less than $\frac{3}{4}$ of all Unitholders for the time being, voting at a meeting summoned for the purposes releases the Trustee with respect to specific acts or omission,

but this shall be without prejudice to the obligation of the Manager to indemnify and/or reimburse the Trustee on account of the Deposited Property pursuant to the provisions of the Deed.

10.15 CONCERNING THE MANAGER

The Manager shall, subject to the provisions of the Deed and the Applicable Laws and Requirements, carry out all activities as it may deem necessary for the management of Paradigm REIT and its business. Without limiting the generality of the foregoing, the Manager shall, in managing Paradigm REIT, undertake the following activities:

- (i) develop a business plan for the Deposited Property in the short, medium and long term;
- (ii) recommend to the Trustee in writing to purchase, transfer, acquire, hire, let, lease, license, exchange, dispose of, convey, surrender or otherwise deal with any Authorised Investment in furtherance of the investment policy and prevailing investment strategy of Paradigm REIT;
- (iii) supervise and oversee the management of Deposited Property (including but not limited to lease audit, systems control, data management and business plan implementation) in accordance with the provisions of the Deed;

10. SALIENT TERMS OF THE DEED (Cont'd)

- (iv) in accordance with the Applicable Laws and Requirements and the Valuers, Appraisers, Estate Agents and Property Managers Act, 1981, generally advise on and procure through property management companies, service providers or by itself (where permitted), the maintenance of any Real Estate, including but not limited to such repair, painting, alteration, rebuilding and/or improvement of any Real Estate which the Manager considers to be necessary or desirable;
- (v) prepare annual budgets for Paradigm REIT and the management and operation of Paradigm REIT;
- (vi) make the necessary announcements in relation to Paradigm REIT as may be required by the Listing Requirements;
- (vii) lodge statutory returns;
- (viii) manage all tax affairs of Paradigm REIT including the appointment of advisors as required;
- (ix) give directions to the Trustee to ensure the smooth and efficient performance of the Trustee's duties under the Deed and under the Applicable Laws and Requirements;
- (x) determine if any taxes, expenses, outgoings, losses, debts or obligations will be paid or borne out of the capital or income of Paradigm REIT;
- (xi) institute, defend, conduct, settle, discontinue or compromise legal proceedings as the Manager, with the written approval of the Trustee, deems fit;
- (xii) undertake primary management activities in relation to Paradigm REIT;
- (xiii) manage Real Estate Assets through the procurement of service providers to carry out specified activities;
- (xiv) manage the finances of Paradigm REIT;
- (xv) develop and maintain investor relations;
- (xvi) ensure legal and corporate compliance in relation to the Deposited Property;
- (xvii) manage and supervise service providers appointed for the conduct, project leasing, marketing and customer relationship management activities;
- (xviii) prepare such property market reports which the Manager considers to be relevant and appropriate;
- (xix) prepare, issue and, if necessary, lodge any prospectus or any circular publicity material, sales literature or other documents in connection with Paradigm REIT and the issuance of Units; and
- (xx) carry out such other activities as the Manager may consider necessary from time to time in discharging its obligations and duties as the Manager.

10. SALIENT TERMS OF THE DEED (Cont'd)

Unless otherwise expressly provided in the Deed, the Manager shall as regards all the powers, authorities and discretions vested in it have absolute and uncontrolled discretion as to the exercise thereof whether in relation to the manner or as to the mode of and time for the exercise thereof and in the absence of fraud, negligence, wilful default or breach of the Deed, the Manager shall not be in any way responsible for any loss, costs, damages or inconvenience that may result from the exercise or non-exercise thereof. Notwithstanding the above, the Manager shall be responsible at all times for the exercise or non-exercise of its powers, authorities and discretions in respect of the management of Paradigm REIT and the investment of the Deposited Property.

10.16 FUNCTIONS, DUTIES AND RESPONSIBILITIES OF THE MANAGER

Please refer to Section 6.2 “Functions, Duties and Responsibilities of the Manager” of this Prospectus for details of the functions, duties and responsibilities of the Manager.

10.17 RETIREMENT, REMOVAL AND REPLACEMENT OF THE MANAGER

Please refer to Section 6.11 “Retirement, Removal and Replacement of the Manager” of this Prospectus for details of the retirement, removal and replacement of the Manager.

10.18 LIMITATION OF LIABILITY AND INDEMNITY OUT OF THE MANAGER

The Manager shall not be under any liability except such liability as may be assumed by it under the Deed nor shall the Manager (save as expressly provided in the Deed) be liable for any act or omission of the Trustee.

Subject as expressly provided in the Deed and without prejudice to any right of indemnity at law given to the Manager, the Manager shall be entitled, for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as Manager, to have recourse to the Deposited Property, save where such action, cost, claim, damage, expense or demand is occasioned by the fraud, negligence, wilful default or breach of the Deed by the Manager.

10.19 MANAGER'S FEES AND TRUSTEE'S FEE

The provisions on the Manager's fees and the Trustee's fee are set out in the Deed. Please refer to Section 6.6 “Management Fees” and Section 8.5 “Trustee's Fee” of this Prospectus for details of the Manager's fees and the Trustee's fee respectively.

10.20 PERMITTED CHARGES OF PARADIGM REIT

The Trustee and/or the Manager shall in addition to their remuneration and rights to indemnification or reimbursement conferred under any other provision of the Deed or by law, respectively be indemnified and shall be reimbursed out of either the Income of Paradigm REIT or the capital of Paradigm REIT (as determined from time to time between the Manager after consultation with the Auditor) for all expenses, or part thereof, reasonably and properly incurred by or on behalf of the Trustee or the Manager, as the case may be, that are directly related and necessary in operating and administering Paradigm REIT, including but not limited to the following:

- (i) maintenance of Real Estate;
- (ii) taxes and other duties charged on Paradigm REIT by the Government of Malaysia and other authorities;
- (iii) fees and other expenses properly incurred by the Auditor appointed for Paradigm REIT;
- (iv) fees for the valuation of any investment of Paradigm REIT by any Qualified Valuers for the benefit of Paradigm REIT;

10. SALIENT TERMS OF THE DEED (Cont'd)

- (v) costs incurred for the modification of the Deed, other than those for the benefit of the Manager and the Trustee;
- (vi) costs incurred for any meeting of the Unitholders other than those convened for the benefit of the Manager or the Trustee; and
- (vii) expenses for the listing fees on Bursa Securities.

General overheads and costs for services expected to be provided by the Manager must not be charged to Paradigm REIT.

The Trustee may be reimbursed by Paradigm REIT for any expenses appropriately incurred in the performance of its duties and responsibilities as a trustee.

10.21 MODIFICATION TO DEED

All modifications to the Deed must be made through a deed supplementary to the Deed and will take effect only upon registration of the supplementary deed with the SC. The Manager must submit any such supplementary deed to the SC for such registration pursuant to the CMSA. In addition to the foregoing, any material change to the investment objectives of Paradigm REIT must be approved by a resolution of not less than two-thirds of all Unitholders at the Unitholders' meeting duly convened in accordance with the Deed (or such other majority as may be required under the REIT Guidelines from time to time) given at a meeting duly convened and held in accordance with the Deed.

10.22 TERMINATION AND WINDING UP OF PARADIGM REIT

10.22.1 Termination events

- (i) Paradigm REIT may be terminated by the Manager in its absolute discretion by giving notice to all Unitholders and the Trustee not less than 3 months (or such shorter period if the circumstances reasonably necessitate earlier notice) in advance if any law is passed which renders it illegal to continue Paradigm REIT.
- (ii) The Trustee shall terminate Paradigm REIT:
 - (a) if at a duly convened meeting of Unitholders a Special Resolution (or otherwise in accordance with the requirements of the REIT Guidelines), is passed that Paradigm REIT be terminated;
 - (b) if the Manager is in liquidation or where the Trustee is of the opinion that the Manager has ceased to carry on business or has, to the prejudice of the Unitholders, failed to comply with any provision or covenant of the Deed or contravened any provisions of any relevant laws, guidelines or regulatory requirements, and at a meeting duly summoned in accordance with Section 301 of the CMSA, a Special Resolution is passed that Paradigm REIT be terminated;
 - (c) if at any time during the life of Paradigm REIT, the Manager, after consultation with the Trustee, is of the opinion that changes in the economic climate or taxation law have caused or are likely to cause Unitholders to be detrimentally affected, the Manager requests the Trustee to summon a meeting of Unitholders and place a Special Resolution (or otherwise in accordance with the requirements of the REIT Guidelines), before such a meeting, setting out the action they recommend the meeting to endorse to meet such changes, and the meeting decides to terminate Paradigm REIT;

10. SALIENT TERMS OF THE DEED (Cont'd)

- (d) if the Listing does not take place within 3 months from the date of the Prospectus for the Listing and a Special Resolution (or otherwise in accordance with the requirements of the REIT Guidelines), is passed at a duly convened meeting of Unitholders to terminate Paradigm REIT;
 - (e) if at any time after the date of Listing, the Units are unconditionally suspended from listing and not readmitted for listing within a continuous period of 90 Market Days after such suspension Paradigm REIT will, notwithstanding any rights, powers or duties of the Manager or the Trustee and directions given by or resolutions of the Unitholders, immediately terminate. In this case, winding up of Paradigm REIT will immediately commence upon the end of such 90 Market Days; or
 - (f) if the SC's approval is revoked under Section 214A(2)(A) of the CMSA.
- (iii) If a determination event in paragraph (ii)(b) under Section 10.22.1 occurs, the Trustee must apply to the court for an order confirming the Unitholders' resolution. The Court may confirm the resolution if the Court is satisfied that it is in the interests of the Unitholders to do and may make orders for the winding-up of Paradigm REIT (including but not limited to procedures for a voluntary winding-up of Paradigm REIT), which orders must be carried out by the Trustee.

10.22.2 Notice

Upon any such decision to terminate Paradigm REIT under the provisions of the Deed, the Manager and the Trustee shall notify all Unitholders of such termination, the reasons and the date of the decision to terminate Paradigm REIT. The notice of termination shall also be published in one national language and one English daily newspaper circulating in Malaysia.

10.22.3 Consequence of termination

Upon termination of Paradigm REIT:

- (i) Chapter 8 of the REIT Guidelines ceases to apply to Paradigm REIT;
- (ii) dealings in, and creation and cancellation of Units must cease;
- (iii) the Trustee must realise the Deposited Property remaining in its hands. After paying or retaining adequate amount for all liabilities payable and cost of termination, the Trustee must distribute to Unitholders the net cash proceeds available for the purpose of such distribution in proportion to the number of Units held by Unitholders respectively. In relation to any monies held by the Trustee that remain unclaimed after 2 years, the Trustee must transfer such monies to the Registrar of Unclaimed Moneys, in accordance with the requirements of the Unclaimed Moneys Act 1965;
- (iv) the financial period continues to run and annual reports continue to be required, unless after consulting the auditor and the SC, the Manager has taken reasonable care to determine that timely production of an annual report is not required in the interests of Unitholders. The Manager must ensure that, in addition to the requirements of annual report provided under the REIT Guidelines, the annual report must contain information on the progress of the termination;
- (v) the Trustee must also arrange for the auditor to conduct a final audit of the financial statements of Paradigm REIT upon completion of the termination of Paradigm REIT; and

10. SALIENT TERMS OF THE DEED *(Cont'd)*

- (vi) a copy of the final financial statements, an explanation from the Manager as to how the Real Estate has been disposed of, salient terms of disposal and the net proceeds and the Trustee's report that the Manager has terminated Paradigm REIT in accordance with the REIT Guidelines and the Deed, must be provided to the Unitholders and submitted to the SC within 2 months of the completion of the termination of Paradigm REIT.

10.22.4 Winding-up of Paradigm REIT

Upon termination of Paradigm REIT under Section 10.22.1 "Termination events" of this Prospectus other than due to the events in paragraph (ii)(b) under Section 10.22.1 "Termination events" of this Prospectus, the following provisions shall have effect:

- (i) The Trustee shall as soon as practicable sell, call in and convert into money the Assets of Paradigm REIT, and divide the proceeds of such sale, calling in and conversion less all proper costs and disbursement, commissions, brokerage fees, fees payable to the Manager and the Trustee on termination of Paradigm REIT and other outgoings including costs of final distribution of capital and income and all proper provisions for Liabilities of Paradigm REIT, among the Unitholders in proportion to the number of Units which they hold respectively at the date of the decision to terminate Paradigm REIT provided that the Trustee may at its discretion make a partial distribution of capital from time to time and the Trustee and Manager shall on termination of Paradigm REIT be deemed as preferential creditors as provided in the Act.
- (ii) The Trustee shall as soon as practicable after the date of the notice in Section 10.22.2 "Notice" of this Prospectus, give to each Unitholder notice of impending distribution.
- (iii) The Trustee may postpone the sale, calling in and conversion of any part of the investment and property comprised in Paradigm REIT for such time as it thinks it desirable so to do in the interest of the Unitholders and shall not be responsible for any loss attributable to such postponement except to the extent that such loss may be attributable to the Trustee's own neglect or default.
- (iv) The Trustee may retain in its hands or under its control for as long as it thinks fit such part of Paradigm REIT as in its opinion may be required to meet any outgoings of Paradigm REIT or any of the investments thereof provided that any investments or monies so retained to the extent that they are ultimately found not to be so required shall remain subject to Paradigm REIT for conversion and distribution in accordance paragraph (i) above.
- (v) The Trustee and the Manager are entitled to:
 - (a) be paid from the proceeds of realisation of Paradigm REIT before any payment is made to the Unitholders, all costs incurred:
 - (1) by the Trustee and the Manager before the winding up of Paradigm REIT which has not be recouped;
 - (2) by the Trustee and the Manager in connection with the winding up of Paradigm REIT and the realisation of the Deposited Property;
 - (3) by or on behalf of any creditor of the Trustee or the Manager in relation to Paradigm REIT; and
 - (4) by or on behalf of any agent, solicitor, banker, accountant or other person employed by the Trustee or the Manager in connection with the winding up of Paradigm REIT; and

10. SALIENT TERMS OF THE DEED (Cont'd)

- (b) following the termination of Paradigm REIT and until the winding up is completed, their remuneration provided for in the Deed.

10.23 MEETING OF UNITHOLDERS

Either the Trustee or the Manager may convene a meeting of Unitholders by giving notice to the Unitholders in accordance with the Deed, which notice shall specify the general nature of the business to be transacted. The Manager shall within 21 days after a requisition has been delivered to the Manager at its registered office, being a requisition by not less than 50, or 1/10 in number, whichever is lesser, of all Unitholders, convene a meeting of Unitholders in accordance with the Deed.

The Manager is entitled to receive notice of and to attend, speak and participate at any meeting of the Unitholders but the Manager shall not be entitled to exercise its voting rights in respect of Units which it or its nominee holds or is deemed to hold for such meeting, except at a meeting held for the removal of the Manager, or unless otherwise permitted by the SC or the Applicable Laws and Requirements.

A Related Party of the Manager shall not have voting rights in respect of the Units held at any Unitholders' meeting and shall not be counted in a quorum for such a meeting, if it has an interest in the outcome of the transaction tabled for approval at the meeting which is different from the interest of other Unitholders.

Every question arising at a meeting of Unitholders shall be decided by poll and the result of such poll shall be deemed to be the resolution of the meeting. Upon any question decided by poll, each Unitholder present in person or by proxy shall have one vote for each Unit it holds. At any meeting of the Unitholders, a declaration by the Chairman that a resolution has been carried by any particular majority or lost or not carried by any particular majority shall be conclusive evidence of the fact. In the case of an equality of votes, the chairman of the meeting shall have a casting vote in addition to its votes (if any) as a Unitholder.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST

11.1 CORPORATE GOVERNANCE

The Manager has adopted a corporate governance framework that meets best practices of good governance on structures and internal processes by adopting the requirements and guidelines set out in the REIT Guidelines and the Listing Requirements, in the performance of its obligations and duties as described in the Deed. The Manager is also committed to adhere to good corporate governance practices in accordance with the principles and practices of corporate governance as set out in MCCG. Please refer to Section 6.15.3 “Governance Sustainability” of this Prospectus for details.

11.2 EXISTING AND ON-GOING RELATED PARTY TRANSACTIONS

Pursuant to the REIT Guidelines, a related party transaction means any transaction between the REIT and its related parties. A “related party” includes:

- (i) the management company of the REIT;
- (ii) the trustee of the REIT;
- (iii) a major unitholder of the REIT;
- (iv) a director, chief executive officer or major shareholder of the management company; or
- (v) a person connected with any director, chief executive officer or major shareholder of the management company, or a person connected with the management company, the trustee or major unitholder of the REIT.

In relation to a director, chief executive officer or major shareholder of the management company, the management company, trustee or major unitholder of the REIT, a “person connected” is defined to include a body corporate in which the director, chief executive officer or major shareholder of the management company, the management company, the trustee or major unitholder of the REIT, and/or persons connected to him are entitled to exercise, or control the exercise of, not less than 20.0% of the votes attached to the voting shares in such body corporate.

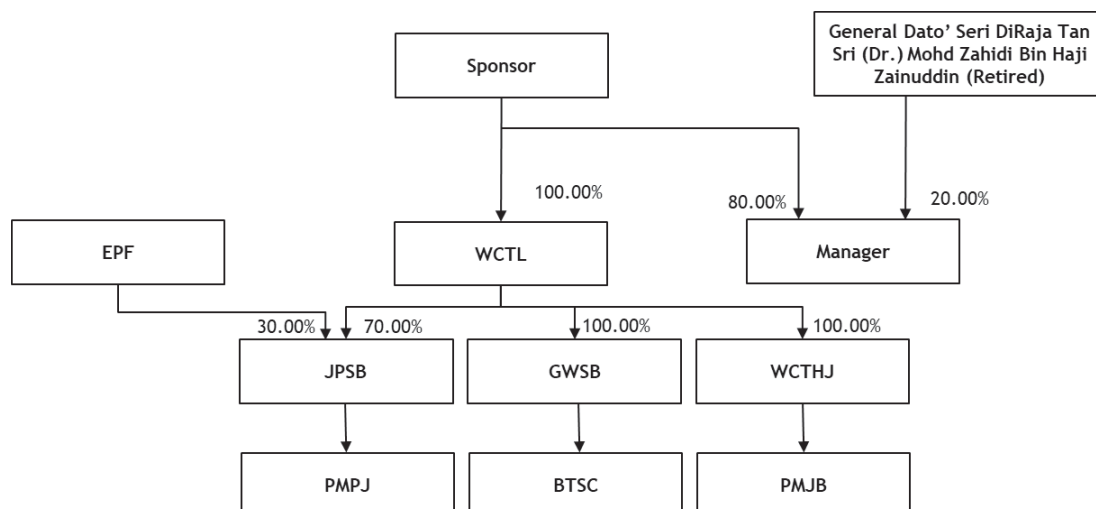
11.2.1 Acquisitions of Subject Properties

The Acquisitions are related party transactions under the REIT Guidelines in view of the following:

- (i) the Vendors, namely GWSB and WCTHJ, are persons connected to the Sponsor as they are the wholly-owned subsidiaries of WCTL, which in turn is a wholly-owned subsidiary of the Sponsor;
- (ii) the Vendor, namely JPSB, is (a) a person connected to the Sponsor as it is a 70% joint venture of WCTL, which in turn is a wholly owned subsidiary of the Sponsor; and (b) a major Unitholder upon the completion of the Listing; and
- (iii) the Manager is an 80.00% jointly-controlled entity of the Sponsor.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST *(Cont'd)*

The organisational chart illustrating the relationship between the Vendors, the Manager and the Sponsor is as follows:



11.2.2 Other Related Party Transactions

In addition to the above, the following sets out the details of the existing and on-going transactions between the Vendors and persons connected with the Sponsor relating to the Subject Properties:

No.	Nature of transactions relating to the Subject Properties that will be transferred to and/or assumed by Paradigm REIT	Related party	Nature of relationship
1.	Lease by WCTHJ to WCT F&B Management Sdn Bhd of a space in Paradigm Mall JB for the operation of a food court known as "Food Arcade", from 1 October 2023 to 31 May 2024 for a monthly rental of RM108,994.50 and from 1 June 2024 to 30 September 2026 for a monthly rental of RM121,105.00.	WCT F&B Management Sdn Bhd	WCT F&B Management Sdn Bhd is a wholly-owned subsidiary of WCTL, which in turn is wholly owned by the Sponsor
2.	Lease by JPSB to WCT F&B Management Sdn Bhd of a space in Paradigm Mall PJ for the operation of a food court known as "Food Arcade", from 1 October 2024 to 30 September 2027, for an annually staggered monthly rental of RM57,036.00, RM66,542.00 and RM76,048.00 respectively	WCT F&B Management Sdn Bhd	WCT F&B Management Sdn Bhd is a wholly-owned subsidiary of WCTL, which in turn is wholly owned by the Sponsor
3.	Licence by JPSB to Labur Bina Sdn Bhd to use a space in Paradigm Mall PJ as storage area, from 10 October 2022 to 9 October 2025, for a monthly licence fee of RM5,000.00	Labur Bina Sdn Bhd	Labur Bina Sdn Bhd is a wholly-owned subsidiary of WCTL, which in turn is wholly owned by the Sponsor

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

No.	Nature of transactions relating to the Subject Properties that will be transferred to and/or assumed by Paradigm REIT	Related party	Nature of relationship
4.	Lease by JPSB to WCT OUG Development Sdn Bhd of advertisement space comprising in-mall digital standee, pillar wraps, external billboard and outdoor LED screen at Paradigm Mall PJ for advertisement of properties development projects, from 1 May 2024 to 30 April 2027, for a monthly rental of RM50,000.00	WCT OUG Development Sdn Bhd	WCT OUG Development Sdn Bhd is a wholly-owned subsidiary of WCT Premier Development Sdn Bhd, which in turn is wholly owned by WCTL, which in turn is wholly-owned by the Sponsor
5.	Lease by WCTHJ to WCT Green Sdn Bhd of advertisement space comprising outdoor flyover billboards, mall facade signage, digital standees, mall directories, in-mall pillar wraps, outdoor lamp-post buntings and temporary kiosk at Paradigm Mall JB for advertisement of properties development projects, from 1 May 2024 to 30 April 2027, for a monthly rental of RM200,000.00	WCT Green Sdn Bhd	WCT Green Sdn Bhd is a wholly-owned subsidiary of WCTL, which in turn is wholly-owned by the Sponsor
6.	Lease by WCT Properties Sdn Bhd to JPSB of identified space, measuring approximately 8,934 sq ft in area, in 'The Ascent' (which represents 23.77% of the space currently leased by JPSB to Sim Leisure Challenge Sdn Bhd (" Escape ") for the business of sports and recreation centre known as "Escape Challenge"), from 4 November 2022 to 3 November 2025, for a monthly rental based on 23.77% out of 5% of the monthly gross turnover generated by Escape. For information purpose, the amount paid by JPSB to WCT Properties Sdn Bhd in relation to the lease for the month of September 2024 was RM2,477.34.	WCT Properties Sdn Bhd	WCT Properties Sdn Bhd is a wholly-owned subsidiary of WCTL, which in turn is wholly-owned by the Sponsor

All rights and obligations of the Vendors pursuant to these transactions will be transferred to and/or assumed by Paradigm REIT following the completion of the SPAs. As such, these transactions will constitute related party transactions involving Paradigm REIT in view that:

- (i) the respective transacting related parties are persons connected to the Sponsor; and

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

- (ii) the Manager is an 80.00% jointly-controlled entity of the Sponsor.

Save as disclosed above, there is no existing and on-going transaction between the Vendors, the Sponsor and the Manager and/or persons connected with the Vendors, the Sponsor and/or the Manager relating to the Subject Properties.

11.3 POTENTIAL RELATED PARTY TRANSACTIONS

11.3.1 Management Fees

The Manager is an 80.0% jointly-controlled entity of the Sponsor. Accordingly, the payment of the Management Fees by Paradigm REIT to the Manager will be a related party transaction.

11.3.2 Assignment of certain trademarks by WCTMM to Paradigm REIT

Pursuant to a Deed of Assignment dated 7 April 2025 entered into between WCTMM and the Trustee (on behalf of Paradigm REIT), WCTMM agreed to assign and transfer the trademarks as set out in Section 1.10 “Intellectual Property” of this Prospectus in favour of the Trustee at a nominal sum of RM10.00 with effect from the completion date of the Acquisitions as contemplated under the SPAs.

The assignment will be a related party transaction in view that WCTMM is a wholly-owned subsidiary of WCTL, which in turn is a wholly-owned subsidiary of the Sponsor, and the Manager is an 80.0% jointly-controlled entity of the Sponsor.

11.3.3 Potential Acquisitions

In the event of any acquisition pursuant to the exercise of the ROFR by the Trustee, on behalf of Paradigm REIT, the salient terms of which are set out in Section 14.4 “Salient Terms on the ROFRs” of this Prospectus, the sale and purchase agreement for such proposed acquisition will be a potential related party transaction. Potential conflict of interest may arise between Paradigm REIT and the vendors of such assets during the negotiation on the terms of such sale and purchase agreements. Please refer to Section 11.4.2 “Manager’s Policies on Related Party Transactions and Dealing with Conflict of Interest Situations” of this Prospectus on the Manager’s policy on related party transactions including acquisition of properties from the WCTH Group.

11.3.4 Services to be provided by WCTH Group to Paradigm REIT

The Trustee (on behalf of Paradigm REIT), the Manager and the Property Manager entered into the Property Management Agreement on 7 April 2025 for the appointment of the Property Manager to provide property management services to manage, operate and maintain all the properties acquired by the Trustee (as trustee for Paradigm REIT) or the SPV(s) of Paradigm REIT, including the Subject Properties, commencing from the completion date of the Acquisitions as contemplated under the SPAs, upon the terms and conditions of the Property Management Agreement. Please refer to Section 9.6 “Salient Terms of the Property Management Agreement” of this Prospectus for further details.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST *(Cont'd)*

In connection to this, the Property Manager had, on 7 April 2025 entered into a service provider agreement with PMMSB, a wholly-owned subsidiary of WCTL, which in turn is a wholly-owned subsidiary of the Sponsor, where the Property Manager appoints PMMSB to provide (1) personnel with necessary qualifications, expertise, experience and internal working and operational knowledge of the properties; (2) the IT Solutions including such information technology software, system and solutions which are necessary to assist the Property Manager in providing and carrying out the its services under the Property Management Agreement and payroll system, accounting software, leasing monitoring system and facility operations and management solution; and (3) such additional services to be mutually agreed upon by the Property Manager and PMMSB from time to time, commencing from the commencement date of the Property Management Agreement. Pursuant to the Property Management Agreement, the Property Manager is entitled to reimbursement of all costs and expenses incurred in the maintenance and management of the Subject Properties in accordance with the terms and conditions of the Property Management Agreement. Notwithstanding the above, the Trustee and/or the Manager can make payment directly to PMMSB subject to the recommendation from the Property Manager.

The WCTH Group may also be involved in providing services such as repair, maintenance and related construction services in relation to the Subject Properties. Accordingly, such services will be related party transactions.

11.4 POTENTIAL CONFLICT OF INTEREST

11.4.1 The Sponsor

The Sponsor and its subsidiaries are engaged in, and/or may engage in among others, investment in, and the development, management and operation of properties which may compete with the Subject Properties. Further, the Sponsor and its subsidiaries may also sponsor, manage or invest in other REITs or other SPVs which may compete directly with Paradigm REIT.

As such, there can be no assurance that conflict of interest may not arise among Paradigm REIT, the Manager and the Sponsor in the future.

As a listed company on the Main Market, the Sponsor has its separate procedures in relation to related party transactions which would also include transactions with Paradigm REIT.

The Listing Requirements oblige the Sponsor to make prompt announcements for related party transactions and disclosures in its annual reports in relation to recurrent related party transactions.

The WCTH Group has established internal review and approving procedures to ensure that related party transactions are entered into on an arm's length basis which are not more favourable than those transacted with the public or third parties and are not detrimental to the interest of the minority shareholders of the Sponsor, which are summarised as follows:

- (i) All related party transactions entered into or any award of contracts to/by the related parties are shall only be offered/accepted by the WCTH Group after obtaining the approval of the board of directors of WCTH with prior review by the audit committee of WCTH ("**WCTH Audit Committee**"). Any interested Director must inform the Board, of the details of the nature and extent of his/her interest, including all matters in relation to the proposed related party transaction that he/she is aware or should reasonably be aware of, which could be perceived as having potential conflict of interest with Paradigm REIT; and shall abstain from deliberation and voting in respect of such transaction(s).

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

- (ii) Any tender, quotation, award letters or contract proposed to be submitted to/entered into/executed with the related parties (including Paradigm REIT) shall be subject to the following policies and procedures:
 - (a) the pricing for the contracts to be tendered by and/or services to be provided by the WCTH Group to the related parties is determined in accordance with the WCTH Group's normal business practices and policies, consistent with the usual profit margin which would have been earned for the same or substantially similar type of transactions entered into by the WCTH Group with unrelated third parties after adjusting for the then prevailing market conditions, the nature and complexity of the contract works and/or services required by the related parties; and
 - (b) where applicable, practical and feasible, the terms and pricing for at least 2 other contemporaneous or comparable transactions with unrelated third parties for similar contract works, services and/or quantities will be used as comparison to determine whether the price and terms offered to the related parties are fair and reasonable and comparable to those offered to the unrelated third parties for the same or substantially similar type of contract works, services and/or quantities.
- (iii) The WCTH Audit Committee will undertake the following annual review (or as and when necessary):
 - (a) to ascertain whether the established guidelines and procedures for the related party transactions have been complied with; and
 - (b) to ascertain whether the established guidelines and procedures for the related party transactions have become inappropriate, and/or are unable to ensure that the transactions will be on normal commercial terms, and/or prejudice the interests of shareholders generally.
- (iv) The internal auditors of WCTH will conduct reviews on the related party transactions to ensure that the review and approving procedures pertaining to the transactions are adhered to. Any divergence will be reported by the internal auditors to the WCTH Audit Committee and the board of directors of WCTH accordingly.
- (v) Should the WCTH Audit Committee during its review form an opinion that the related party transactions are not being conducted in accordance with the established guidelines and procedures or are not being conducted on an arm's length basis or on normal commercial terms, or are detrimental to the interests of shareholders, the board of directors of WCTH will be advised to take the necessary actions to remedy the non-compliance, including to convene a general meeting of shareholders to seek shareholders' approval for the related party transactions, if deemed necessary.
- (vi) In the case of recurrent related party transactions, all such transactions will be recorded in a register to be maintained by the company secretary of WCTH. In the event where the actual value of the recurrent related party transactions exceeds the estimated value by 10% or more, such transactions and the reasons for such deviation will be immediately announced by WCTH via Bursa Securities.

11.4.2 Manager's Policies on Related Party Transactions and Dealing with Conflict of Interest Situations

Upon Listing, Paradigm REIT will be subject to the REIT Guidelines and/or the Listing Requirements (where applicable) on related party transactions. Compliance of Paradigm REIT with the Listing Requirements and the REIT Guidelines will ensure that related party transactions will not prejudice the interests of the Unitholders as a whole.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST *(Cont'd)*

The Listing Requirements provide, among others, where the percentage ratio of a related party transaction is 5.0% or more and the value of the consideration of the transaction is RM500,000.00 or more, an independent adviser who is permitted to carry on the regulated activity of advising on corporate finance under the CMSA must be appointed before the terms of the transaction are agreed upon and approval of the Unitholders in a general meeting must be obtained for the transaction. In addition, the REIT Guidelines also provides that related parties of the Manager should not vote or be counted as quorum at a meeting if they have interest in the outcome of a transaction tabled for approval which is different from the interests of other Unitholders.

The Listing Requirements oblige the Manager to make prompt announcements and disclosures in Paradigm REIT's annual reports in relation to any related party transactions. These transactions would include transactions between Paradigm REIT, the Sponsor and its subsidiaries in which case the Sponsor would be an interested party and its nominee director would be considered as interested director. As at the LPD, the nominee director of the Sponsor is Lai Cheng Yee.

In order to mitigate any potential conflict of interest, the Manager has also instituted the following procedures:

- (i) the Manager will not manage any other REIT which invests principally in the same type of properties as Paradigm REIT;
- (ii) in respect of matters or transactions which a Director or a person connected to him or her has an interest (directly or indirectly), such Director shall not participate in any proceedings of the Board and shall abstain from voting in respect of such matter or transaction;
- (iii) the majority of the Board comprise independent directors and the Audit Committee also comprise solely of independent directors, in line with the recommendation of MCCG;
- (iv) the Directors of the Manager owe fiduciary duties to the Manager and as such the directors will act in the best interest of the Unitholders and in the event of conflict between the Unitholders' interests and the Manager's interests, to give priority to the Unitholders' interests; and
- (v) any related party transaction, dealing, investment and appointments carried out on behalf of Paradigm REIT should be executed on terms which are the best available for Paradigm REIT and which are no less favourable to Paradigm REIT than arm's length transactions between independent parties. In addition, any event or transaction in which a conflict of interest arises or could arise should be adequately disclosed in this Prospectus and annual reports of Paradigm REIT.

In order to mitigate any potential conflict of interest, the Manager has established internal review and approving procedures to ensure that related party transactions are entered into on an arm's length basis which are not more favourable than those transacted with the public or third parties and are not detrimental to the interest of the minority Unitholders, which are summarised as follows:

- (i) All related party transactions (either individually or as part of a series of if aggregated with other transactions involving the same related party during the same financial year) with value equal to or exceeding RM500,000.00 are subject to review by the Audit Committee and prior to approval by the Board.
- (ii) Any interested Director must inform the Board, of the details of the nature and extent of his/her interest, including all matters in relation to the proposed related party transaction that he/she is aware or should reasonably be aware of, which is not in the best interest of Paradigm REIT; and shall abstain from deliberation and voting in respect of such transaction(s).

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

- (iii) Any tender, quotation, award letter or contract proposed to be submitted to/entered into/executed with the related parties shall be subject to the following policies and procedures:
 - (a) the pricing for the contracts to be tendered by and/or services to be provided by Paradigm REIT to the related parties is determined in accordance with the Paradigm REIT's normal business practices and policies, consistent with the usual profit margin which would have been earned for the same or substantially similar type of transactions entered into by Paradigm REIT with unrelated third parties after adjusting for the then prevailing market conditions, the nature and complexity of the contract works and/or services required by the related parties; and
 - (b) where applicable, practical and feasible, the terms and pricing for at least 2 other contemporaneous or comparable transactions with unrelated third parties for similar contract works, services and/or quantities will be used as comparison to determine whether the price and terms offered to the related parties are fair and reasonable and comparable to those offered to the unrelated third parties for the same or substantially similar type of contract works, services and/or quantities.
- (iv) For the award of contracts/tenders for related services investment in and/or the development, management and operation of properties, the Manager shall prepare an internal budget which will be validated by a third party cost consultant/quantity surveyor to form the basis for comparison with tenders received and ensure that the contracts/tenders will be undertaken on normal commercial terms. The projects will be evaluated based on pricing as well as technical and financial capabilities of the tenderers. The project budgeting, tendering, evaluation and selection of tenderer will be reviewed and approved in accordance with discretionary authority limits policy adopted by the Manager.
- (v) Any rental or lease of properties/retail spaces to related parties will be at the prevailing market rate for the same or substantially similar type of properties and shall be on normal commercial terms. Where applicable, the Manager may consult with relevant third party independent consultants such as property valuers in order to determine the market norm for rental of properties/retail spaces.
- (vi) The prior written consent of the Trustee will be required for proposals which involves:
 - (a) the acquisition of any investments in which the Manager or any employee of the Manager has a financial interest or from which the Manager or any employee of the Manager derives a benefit; or
 - (b) the acquisition of Real Estate Assets from, or disposal of Real Estate Assets to a related corporation or associated person of the Manager.
- (vii) Adherence to the Listing Requirements for related party transactions which may involve immediate announcement of related party transactions and/or requirement to seek the Unitholders' prior approval and provision of independent advice, depending on the materiality threshold.
- (viii) The interested director and/or major Unitholder and/or persons connected with them must not vote in respect of their direct and indirect interest at the general meeting on the resolution pertaining to any related party transaction.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST *(Cont'd)*

- (ix) The Audit Committee will undertake the following annual review (or as and when necessary):
 - (a) to ascertain whether the established guidelines and procedures for the related party transactions have been complied with; and
 - (b) to ascertain whether the established guidelines and procedures for the related party transactions have become inappropriate, and/or are unable to ensure that the transactions will be on normal commercial terms, and/or prejudice the interests of shareholders generally.
- (x) The internal auditors of the Manager will conduct reviews on the related party transactions to ensure that the review and approving procedures pertaining to the transactions are adhered to. Any divergence will be reported by the internal auditors to the Audit Committee and the Board accordingly.
- (xi) Should the Audit Committee during its review form an opinion that the related party transactions are not being conducted in accordance with the established guidelines and procedures or are not being conducted on an arm's length basis or on normal commercial terms, or are detrimental to the interests of shareholders, the Board will be advised to take the necessary actions to remedy the non-compliance, including to convene a general meeting of the Unitholders to seek the Unitholders' approval for the related party transactions, if deemed necessary.
- (xii) In the case of recurrent related party transactions, all such transactions will be recorded in a register to be maintained by the company secretary of the Manager. In the event where the actual value of the recurrent related party transactions exceeds the estimated value by 10.0% or more, such transactions and the reasons for such deviation will be immediately announced by the Manager via Bursa Securities.

The Manager has appointed BDO Governance Advisory Sdn Bhd, an independent professional services firm, to assist the Board and Audit Committee by providing an independent assessment of the adequacy and effectiveness of the Manager's systems of risk management and internal control. In order to mitigate any potential conflict of interest, the Audit Committee shall conduct an assessment of the suitability, objectivity and independence of its internal auditors, including a review on its performance and remuneration.

11.4.3 Dealing in Securities

Pursuant to the internal practice of the Manager, the Directors, key management and employees of the Manager who are in possession of price-sensitive information are prohibited from dealing in the Units.

The Directors, key management and employees of the Manager are prohibited from directly or indirectly communicating any price-sensitive information to another person if he or she knows, or ought to reasonably know, that the other person would trade in the listed shares or the Units. This also applies to agents, referred to as anyone who trades on the behalf of the Directors, key management and all employees of the Manager.

The Directors, key management and employees of the Manager are required to submit an annual declaration to disclose their interest in the Units, as well as any related party transactions entered into, as at the year end. During the year, a declaration of specific transactions should be submitted within 2 business days after completing the trade or transaction.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

All declarations shall be submitted to Head of Compliance, Risk & Sustainability of the Manager for compilation. The Head of Compliance, Risk & Sustainability of the Manager will refer the declarations to the appropriate governance party for review. All declarations shall be kept in a register by the Head of Compliance, Risk & Sustainability of the Manager.

11.5 INTERESTS OF DIRECTORS AND OTHER SUBSTANTIAL SHAREHOLDERS OF THE MANAGER IN OTHER CORPORATIONS CARRYING ON SIMILAR BUSINESS

Save as disclosed in Section 11.5.1 “Common major Unitholder/substantial shareholder and common directors” and Section 11.5.2 “Undertaking provided by TSDL” of this Prospectus, as at the LPD, none of the Directors and substantial shareholders of the Manager hold any interests in other corporations or collective investment schemes carrying on similar businesses. For the purpose of this Section 11.5, “similar business” means the management of a REIT with an investment policy of investing in Real Estate used primarily for retail, commercial, office, industrial and hospitality purposes in Malaysia and overseas.

11.5.1 Common major unitholder/substantial shareholder and common directors

Pavilion Real Estate Investment Trust (“**Pavilion REIT**”) is listed on the Main Market of Bursa Securities. The core activity of Pavilion REIT is investment in income-producing real estate assets used solely or predominantly for retail purposes (including mixed-use developments with a retail component) in Malaysia and other countries within the Asia Pacific region.

Paradigm REIT will be predominantly involved in the retail segment similarly as Pavilion REIT.

As at the LPD, TSDL is the common major shareholder and unitholder and common director of the Sponsor and Pavilion REIT, while Dato' Lee is the common director of the Sponsor and Pavilion REIT, which will potentially give rise to a conflict of interest as follows:

- (i) As at the LPD, TSDL is –
 - (a) a major shareholder of the Sponsor with a collective direct and indirect equity interest of 23.2% in the Sponsor;
 - (b) the Executive Chairman of the Sponsor;
 - (c) a major unitholder of Pavilion REIT with a collective direct and indirect interest of 30.8% in Pavilion REIT;
 - (d) a substantial shareholder of UCDSB, which in turn holds 51.0% equity interest in the Pavilion Manager, being the management company of Pavilion REIT; and
 - (e) the Chairman and Executive Director of the Pavilion Manager.

As at the LPD, TSDL does not have any direct interest in the Manager or Paradigm REIT, and TSDL will not have any direct interest in the Manager or Paradigm REIT upon Listing. TSDL's indirect interest in the Manager and Paradigm REIT will solely be via his shareholding in the Sponsor.

- (ii) As at the LPD, Dato' Lee is –
 - (a) the Group Managing Director of the Sponsor;
 - (b) not a shareholder, direct or indirect, of the Sponsor;

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST *(Cont'd)*

- (c) the Non-Independent Executive Director of the Pavilion Manager; and
- (d) a unitholder holding 100,000 units in Pavilion REIT.

As at the LPD, Dato' Lee does not have any interest, direct or indirect, in the Manager or Paradigm REIT, and Dato' Lee will not have any interest, direct or indirect, in the Manager or Paradigm REIT upon Listing.

The establishment of Paradigm REIT will potentially give rise to a conflict of interest situation due to the overlapping influence of TSDL and Dato' Lee in both Paradigm REIT and Pavilion REIT.

To mitigate the potential conflict of interest situation, the Manager was established as a jointly-controlled entity of WCTH to enhance corporate governance and promote independent decision making of the Manager.

In addition, TSDL, Dato' Lee and the Manager have provided specific undertakings as set out in Section 11.5.2 "Undertaking provided by TSDL", Section 11.5.3 "Undertaking provided by Dato' Lee" and Section 11.5.4 "Undertaking provided by the Manager" to further address, resolve, mitigate and/or eliminate any actual or any potential conflict of interest situation arising from the overlapping influence of TSDL and Dato' Lee in both Paradigm REIT and Pavilion REIT.

11.5.2 Undertaking provided by TSDL

To address, resolve, mitigate and/or eliminate any actual or any potential conflict of interest situation arising from TSDL being a common major shareholder and unitholder and common director of the Sponsor, the Pavilion Manager and Pavilion REIT, TSDL has undertaken that he will not assume the role of or be appointed as a director of the Manager and will not have any direct shareholding in the Manager and direct unitholding in the Paradigm REIT.

In addition, TSDL has undertaken to take the following actions in the event any of the following scenarios shall arise:

- (i) **If any of the private assets of TSDL or assets held by such person or entity which constitutes persons connected as prescribed under the Listing Requirements (each a "Connected Party") with TSDL and any other companies which now or in the future constitute a Connected Party are made available for sale save for the assets of which right of first refusal to acquire has previously granted to Pavilion REIT prior to the date of this Prospectus or are branded as "Pavilion" ("Applicable Assets")**

In such circumstances, the potential conflict is mitigated as the Applicable Assets will be made available for sale to both Paradigm REIT and Pavilion REIT via a tender and the terms and criteria in selecting the winning bid will be determined upfront and disseminated to both Paradigm REIT and Pavilion REIT.

The acquisition by the winning REIT is a related party transaction and subject to the respective REIT unitholders' approval, in which TSDL and persons connected to him will need to abstain from voting.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST *(Cont'd)*

(ii) **If both Paradigm REIT and Pavilion REIT bid or tender for the same Applicable Assets**

In such circumstances, the potential conflict is mitigated as TSDL has undertaken to refrain from making any recommendations, participating in any negotiations and/or the evaluation process, abstain and continue to abstain from all deliberating and voting on resolution pertaining to such bid or tender at the respective boards of directors' meetings of the Pavilion Manager and the Sponsor and to procure and ensure that his Connected Party will abstain from deliberating and voting on resolution pertaining to such bid and tender at the respective boards of directors' meetings of the Pavilion Manager, the Manager and the Sponsor.

The final decision on the winning bid is determined by the independent third party vendor. Thereafter, the winning bid is subject to the approval of the unitholders of the respective REIT where no conflict of interest would arise at that point in time.

(iii) **If a third party approaches TSDL with regard to an opportunity to acquire the assets of such third party and TSDL is of the view that it is beneficial for either Paradigm REIT and/or Pavilion REIT to acquire the assets**

In such circumstances, the potential conflict is mitigated as TSDL will present the opportunity to acquire the assets of the third party to both Paradigm REIT and Pavilion REIT for the evaluation by the respective management companies of the REITs, which are separate and independent of each other.

TSDL has undertaken to refrain from making any recommendations, participating in any negotiations and/or the evaluation process to ensure impartiality, including abstaining from all deliberations and voting at the respective boards of directors' meetings of the Pavilion Manager and the Sponsor and procure and ensure that his Connected Party will abstain from deliberating and voting on resolution pertaining to such opportunity to acquire the assets at the respective boards of directors' meetings of the Pavilion Manager, the Manager and the Sponsor.

11.5.3 Undertaking provided by Dato' Lee

In addition to TSDL's potential conflict of interest situation, the existence of Dato' Lee as a common director of the Sponsor and the Pavilion Manager may also give rise to a conflict of interest situation if both Paradigm REIT and Pavilion REIT bid or tender for the same third party assets.

In such circumstances, the potential conflict is mitigated as Dato' Lee has undertaken to refrain from making any recommendations, participating in any negotiations and/or the evaluation process, including abstain and continue to abstain from deliberating and voting on resolution pertaining to such bid or tender at the board of directors' meeting of the Pavilion Manager and to procure and ensure that his Connected Party will abstain from deliberating and voting on resolution pertaining to such bid and tender at the respective boards of directors' meetings of the Pavilion Manager and the Manager.

The final decision on the winning bid is determined by the independent third party vendor. Thereafter, the winning bid is subject to the approval of the unitholders of the respective REIT where no conflict of interest would arise at that point in time.

Dato' Lee has also undertaken that he will not assume the role of or be appointed as a director of the Manager.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST *(Cont'd)*

11.5.4 Undertaking provided by the Manager

To address, resolve, mitigate and/or eliminate any actual or any potential conflict of interest situation due to the overlapping influence of TSDL and Dato' Lee in both Paradigm REIT and Pavilion REIT, the Manager has undertaken to ensure that:

- (i) none of the members of the Board and key management of the Manager will hold concurrent positions on the board of directors and key management of the Pavilion Manager;
- (ii) both TSDL and Dato' Lee will not assume the roles of or be appointed as the directors of the Manager; and
- (iii) the majority of the members of the Board of the Manager will comprise independent non-executive directors. All members of the Board of the Manager shall not be a Connected Party to TSDL and Dato' Lee.

For information purposes, there are no Connected Parties to TSDL and Dato' Lee who sit on the Board of the Manager and/or the board of directors of the Pavilion Manager as at the LPD, save for Puan Sri Tan Kewi Yong, being the spouse of TSDL, who is –

- (a) a major unitholder of Pavilion REIT with a collective direct and indirect equity interest of 30.8%;
- (b) a substantial shareholder of UCDSB, which in turn holds 51% equity interest in the Pavilion Manager; and
- (c) the Executive Director of the Pavilion Manager.

In addition, the Manager was established as a jointly-controlled entity of WCTH to enhance corporate governance and promote independent decision making of the Manager to mitigate the potential conflict of interest situation.

11.6 OTHER PERTINENT INFORMATION

The Manager will comply with all requirements as laid out in the REIT Guidelines on related party transactions including provisions contained in the Deed.

The Manager has established procedures that will ensure that such transactions are undertaken in full compliance to the REIT Guidelines and are carried out at arm's length, based on normal commercial terms and in the best interests of the Unitholders.

The Manager would have to demonstrate to the Audit Committee that transactions (whether purchase of services or properties) would be taken on normal commercial terms, which may include in the case of the purchase of services, the obtaining of quotations from parties unrelated to the Manager, or in the case of purchase of properties, the obtaining of valuation from an independent valuer.

The Trustee shall ensure that related party transactions are at arm's length, based on normal commercial terms and not prejudicial to the interest of the Unitholders. Furthermore, the Trustee has the ultimate discretion under the Deed to decide whether or not to enter into a transaction involving a related party of the Manager. If the Trustee is to sign any contract with a related party of the Manager, the Trustee will review the contract documentation to ensure it complies with the requirements and provisions relating to related party transactions contained in the REIT Guidelines and the Deed.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST *(Cont'd)*

11.7 DECLARATIONS BY ADVISERS

11.7.1 Declaration by Maybank IB

Maybank IB and its related and associated companies (collectively, the “**Maybank Group**”) form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and fund management and credit transaction services businesses. The Maybank Group has engaged and may in the future, engage in transactions with and perform services for the WCTH Group, Paradigm REIT, the Manager and/or any of its affiliates. In addition, in the ordinary course of its business, any member of the Maybank Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with Paradigm REIT, its shareholders and/or its affiliates and/or any other entity or person, hold long or short positions in securities issued by WCTH Group, Paradigm REIT, the Manager and/or any of its affiliates, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans. This is a result of the businesses of the Maybank Group generally acting independent of each other and accordingly, there may be situations where parts of the Maybank Group and/or its customers now have or in the future, may have interests or take actions that may conflict with the interests of Paradigm REIT. Nonetheless, the Maybank Group is required to comply with applicable laws and regulations issued by the relevant authorities governing its advisory business which require, among others, segregation between dealing and advisory activities and a Chinese wall between different business divisions.

As at the LPD, the Maybank Group has, in its ordinary course of business, extended credit facilities amounting to approximately RM991.7 million to the WCTH Group, of which RM911.8 million is outstanding. Part of the proceeds from the Disposal (as defined below) and the Offering will be used to partially repay the existing lenders of the WCTH Group, including the Maybank Group. Additionally, Maybank IB is the Joint Principal Adviser, Joint Lead Arranger and Joint Lead Manager for the MTN Programme to be undertaken by the Paradigm REIT.

Notwithstanding the above, Maybank IB is of the view that the aforesaid lending relationship would not give rise to a conflict of interest situation in its capacity as (i) the Principal Adviser to the Manager for the establishment of Paradigm REIT, (ii) the Lead Bookrunner and Joint Bookrunner for the Institutional Offering; (iii) the Sole Managing Underwriter and Joint Underwriter for the Retail Offering; (iv) the Principal Adviser to the Sponsor for the establishment of Paradigm REIT, the disposals of the Subject Properties by the Vendors to the Trustee (on behalf of Paradigm REIT) (“**Disposals**”), the Offering and the Listing and (v) the Joint Principal Adviser, Joint Lead Arranger and Joint Lead Manager for the MTN Programme as:

- (i) the extension of credit facilities arose in the ordinary course of business of the Maybank Group;
- (ii) the conduct of the Maybank Group in its banking business is strictly regulated by the Financial Services Act 2013, Islamic Financial Services Act 2013 and, where applicable, the CMSA, as well as the Maybank Group’s own internal controls and checks; and
- (iii) the total outstanding amount owed by the WCTH Group is not material when compared to the audited net assets of the Maybank Group as at 31 December 2024 of RM93.97 billion.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

Save as disclosed above, Maybank IB confirms that, as at the LPD, it is not aware of any other circumstances which would or is likely to give rise to a possible conflict of interest situation in Maybank IB's capacity as (i) the Principal Adviser to the Manager for the establishment of Paradigm REIT; (ii) the Lead Bookrunner and Joint Bookrunner for the Institutional Offering; (iii) the Sole Managing Underwriter and Joint Underwriter for the Retail Offering; (iv) the Principal Adviser to the Sponsor for the establishment of Paradigm REIT, the Disposals, the Offering and the Listing; and (v) the Joint Principal Adviser, Joint Lead Arranger and Joint Lead Manager for the MTN Programme.

11.7.2 Declaration by Mah-Kamariyah & Philip Koh

Mah-Kamariyah & Philip Koh acted as (i) the legal advisers to the Manager in respect of the REIT Establishment and the Listing, and (ii) the legal advisers to the Sponsor in connection with the issuance of a circular to shareholders of the Sponsor seeking their approval for the Disposals, the REIT Establishment, the Offering and the Listing ("**Circular to Shareholders**").

Mah-Kamariyah & Philip Koh confirms that as at the LPD, it is not aware of any circumstances which would or is likely to exist which would give rise to a possible conflict of interest in its capacity as (i) the legal advisers to the Manager in respect of the REIT Establishment and the Listing and (ii) the legal advisers to the Sponsor in connection with the issuance of the Circular to Shareholders.

11.7.3 Declaration by Ernst & Young PLT

Ernst & Young PLT confirms that as at the LPD, it is not aware of any circumstances which would or is likely to exist which would give rise to a possible conflict of interest in its capacity as the Reporting Accountants of Paradigm REIT.

In its capacity as the Reporting Accountants, Ernst & Young PLT has issued the Report on the Pro Forma Statement of Financial Position as at the date of establishment of Paradigm REIT, as set out in Appendix D "Reporting Accountants' Report on the Pro Forma Statement of Financial Position" of this Prospectus and the Letter on the Profit Forecast of Paradigm REIT as set out in Appendix E "Reporting Accountants' Letter on the Profit Forecast", respectively.

11.7.4 Declaration by KPMG Tax Services Sdn Bhd

KPMG Tax Services Sdn Bhd confirms that as at the LPD, it is not aware of any circumstances which would or is likely to exist which would give rise to a possible conflict of interest in its capacity as the Tax Consultant of Paradigm REIT.

In its capacity as the Tax Consultant, KPMG Tax Services Sdn Bhd is responsible for preparing the Tax Consultant's letter on taxation of Paradigm REIT and Unitholders as set out in Appendix C "Tax Consultant's Letter on Taxation of Paradigm REIT and Unitholders" of this Prospectus.

11.7.5 Declaration by Savills (Malaysia) Sdn Bhd

Savills (Malaysia) Sdn Bhd confirms that as at the LPD, it is not aware of any circumstances which exist or is likely to exist which would give rise to a possible conflict of interest in its capacity as the Independent Property Market Researcher in relation to the Offering and Listing.

In its capacity as the Independent Property Market Researcher, Savills (Malaysia) Sdn Bhd was responsible for preparing the Independent Property Market Report as set out in Appendix B "Independent Property Market Report" of this Prospectus.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

11.7.6 Declaration by Knight Frank Malaysia Sdn Bhd

Knight Frank Malaysia Sdn Bhd acted as (i) the Independent Property Valuer to the Manager in respect of the valuations of the Subject Properties for the Acquisitions and (ii) the Independent Property Valuer to the Sponsor in respect of the valuations of the Subject Properties for the Disposals.

Knight Frank Malaysia Sdn Bhd confirms that as at the LPD, it is not aware of any circumstances which would or is likely to exist which would give rise to a possible conflict of interest in its capacity as (i) the Independent Property Valuer in relation to the Acquisitions; and (ii) the Independent Property Valuer in relation to the Disposals.

In its capacity as the Independent Property Valuer to the Manager, Knight Frank Malaysia Sdn Bhd was responsible for preparing the Valuation Certificate dated 24 October 2024 and Update Valuation Certificate dated 6 February 2025 as set out in Appendix A “Valuation Certificates” of this Prospectus, valuation reports and valuation report checklists for the respective Subject Properties which were submitted to the SC as part of the submission of the valuation reports on 25 October 2024.

11.7.7 Declaration by Newfields Advisors Sdn Bhd

Newfields Advisors Sdn Bhd confirms that as at the LPD, there is no existing or potential conflict of interest in its capacity as Financial Adviser for the Listing.

In its capacity as the Financial Adviser, Newfields Advisors Sdn Bhd was responsible for, among others, jointly advising with the Principal Adviser on the restructuring of the WCTH Group, equity and corporate structure in preparation for the Listing and on the scheme of the Listing, including the structure of the Offering (optimal public shareholding spread and Bumiputera equity requirement), pricing of the Units and valuation in relation to the Listing.

11.7.8 Declaration by AmInvestment Bank

AmInvestment Bank is a wholly-owned subsidiary of AMMB Holdings Berhad (“**AMMB**”). AMMB and its group of companies (collectively, “**AmBank Group**”) form a diversified financial group and are engaged in a wide range of businesses relating to among others, investment banking, commercial banking, private banking, brokerage, securities trading, asset and funds management as well as credit transaction services. The AmBank Group’s securities business is primarily in the areas of securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trade.

The AmBank Group has engaged, and may in the future engage, in transactions with and/or perform services for the WCTH Group, Paradigm REIT, the Manager and/or any of its affiliates, in addition to its role as the Joint Bookrunner for the Institutional Offering and Joint Underwriter for the Retail Offering. In addition, in the ordinary course of its businesses, any member of the AmBank Group may at any time extend services to or engage in any transaction (on its own account or otherwise) with Paradigm REIT, its unitholders and/or its affiliates and/or any other entity or person, hold long or short positions in securities issued by the WCTH Group, Paradigm REIT, the Manager and/or any of its affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its clients, in debt or equity securities or senior loans. This is a result of the businesses of the AmBank Group generally acting independent of each other and accordingly, there may be situations where parts of the AmBank Group and/or its existing or future clients, may have interests or take actions that may conflict with the interest of Paradigm REIT.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

As at the LPD, the AmBank Group has, in its ordinary course of business, extended credit facilities with an aggregate credit limit of RM1,106.2 million to the WCTH Group, of which RM341.0 million is outstanding. It is expected that some of the proceeds raised from the Offering by the Selling Subsidiary will be used to repay some of these credit facilities. Additionally, AmInvestment Bank is the Joint Principal Adviser, Joint Lead Arranger and Joint Lead Manager for the MTN Programme to be undertaken by Paradigm REIT.

Notwithstanding the above, AmInvestment Bank confirms that there is no conflict of interest situation that exists or is likely to exist in its roles as the Joint Bookrunner for the Institutional Offering and Joint Underwriter for the Retail Offering premised on the following:

- (i) the credit facilities were provided by the AmBank Group in its ordinary course of business, and the total outstanding amount owed by the WCTH Group from such credit facilities provided is not material when compared to the audited net assets of AmBank Group as at 31 March 2024 of approximately RM19.4 billion;
- (ii) the AmBank Group forms a diversified financial group and is engaged in a wide range of transactions as highlighted above. In addition, AmInvestment Bank is a licensed investment bank and its appointment as the Joint Bookrunner for the Institutional Offering and Joint Underwriter for the Retail Offering is in the ordinary course of its business;
- (iii) the credit facilities were not determined in contemplation of and are not conditional upon AmInvestment Bank being appointed as the Joint Bookrunner for the Institutional Offering and Joint Underwriter for the Retail Offering; and
- (iv) each of the entities and departments of the AmBank Group are also subject to internal controls and checks, which regulate the sharing of information between the entities and departments. Additionally, each department and entities within the AmBank Group has separate and distinct operations and decisions are made independent of each other. In addition, the conduct of AmInvestment Bank is regulated by Bank Negara Malaysia.

11.7.9 Declaration by CGS

CGS confirms that as at the LPD, it is not aware of any circumstances which would or is likely to exist which would give rise to a possible conflict of interest in its capacity as the Joint Bookrunner for the Institutional Offering and Joint Underwriter for the Retail Offering.

11. CORPORATE GOVERNANCE, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST *(Cont'd)*

11.7.10 Declaration by RHB IB

RHB IB and its related and associated companies ("**RHB Banking Group**"), form a diversified financial group and engage in private banking, commercial banking and investment banking transactions which include, among others, brokerage, securities trading, assets and fund management as well as credit transaction services. The RHB Banking Group has engaged and may in the future engage in transactions with and perform services for WCTH and their related and associated companies ("**WCTH Group**"), Paradigm REIT, the Manager and/or any of its affiliates ("**Manager's Group**") (both WCTH Group and Manager's Group known as "**Group**"), in addition to the roles set out in the Prospectus. In addition, any member of the RHB Banking Group may at any time, in the ordinary course of business, offer to provide its services or to engage in any transaction (on its own account or otherwise) with any member of the Group, its shareholders, its affiliates and/or any other entity or person, hold long or short positions in securities issued by the Group, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of any member of the Group. This is a result of the businesses of the RHB Banking Group generally acting independently of each other and accordingly, there may be situations where parts of the RHB Banking Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interests of the Group. For the avoidance of doubt, member of the RHB Banking Group may also bid for the Units to be offered under the Institutional Offering.

As at the LPD, the RHB Banking Group, has extended credit facilities with a limit of RM442.2 million to the Group in its ordinary course of business. None of the proceeds raised from the Offering will be used to repay the borrowings owing to the RHB Banking Group. The credit facilities granted to the Group do not impose any conditions in relation to the Institutional Offering.

Notwithstanding the above, RHB IB is of the view that the abovementioned does not give rise to a conflict of interest situation in its capacity as the Joint Bookrunner for the Institutional Offering due to the following:

- (i) RHB IB is a licensed investment bank and its appointment as the Joint Bookrunner for the Institutional Offering is in the ordinary course of its business and RHB IB does not receive or derive any financial interest or benefits save for the professional fees received in relation to its appointment as the Joint Bookrunner for the Institutional Offering;
- (ii) the credit facilities provided by the RHB Banking Group is on an arm's length basis and is in its ordinary course of business and is not conditional upon RHB IB being appointed as the Joint Bookrunner for the Institutional Offering or upon any other proposal(s) being undertaken by any entity(ies) within the RHB Banking Group;
- (iii) the team in-charge of the Institutional Offering in the RHB Banking Group is independent from the team handling the credit facilities; and
- (iv) the conduct of the RHB Banking Group in its banking businesses is strictly regulated by the Financial Services Act 2013, Islamic Financial Services Act 2013 the Capital Markets and Services Act 2007 and its own internal controls and checks which include segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

Accordingly, RHB IB confirm that it is not aware of any circumstance that exists or is likely to exist to give rise to a conflict of interest situation in its capacity as the Joint Bookrunner for the Institutional Offering.

12. APPROVALS, CONDITIONS, WAIVERS AND VARIATIONS

12.1 APPROVALS AND CONDITIONS

12.1.1 The SC has, via its letter dated 3 March 2025, approved, among others, the following:

- (i) establishment and listing of Paradigm REIT on the Main Market under Section 214(1) of the CMSA, subject to the terms and conditions as contained in Section 12.1.1.1 "Terms" and Section 12.1.1.2 "Conditions" of this Prospectus;
- (ii) appointment of the Manager as the management company of Paradigm REIT under Section 289(2) of the CMSA, subject to the conditions as contained in Section 12.1.1.2 "Conditions" of this Prospectus; and
- (iii) application under the Bumiputera equity requirement for public listed companies pursuant to the establishment and listing of Paradigm REIT on the Main Market, subject to the following terms and conditions.

12.1.1.1 Terms

- (a) Establishment of Paradigm REIT with an initial fund size of 1,600,000,000 Units.
- (b) Acquisitions by Paradigm REIT for a total purchase consideration of RM2,437 million to be satisfied through:
 - (1) the issuance of 1,600,000,000 Consideration Units at an issue price of RM1.00 per Consideration Unit, to be credited as fully paid-up; and
 - (2) cash consideration of RM837 million, to be funded from the issuance of the MTNs issued under the MTN Programme,

of the following properties:

Property	Vendor	Purchase consideration (RM'000)	Mode of settlement	
			Consideration Unit (RM'000)	Cash Consideration (RM'000)
Bukit Tinggi Shopping Centre	GWSB	680,000	350,000	330,000
Paradigm Mall PJ	JPSB	600,000	230,000	370,000
Paradigm Mall JB	WCTHJ	1,157,000	1,020,000	137,000
		2,437,000	1,600,000	837,000

- (c) The Offering, subject to clawback and reallocation provisions, comprising the following:
 - (1) Retail Offering of up to 254,657,500 Units to be allocated as follows:
 - (A) restricted offer for sale of up to 194,862,500 Restricted Offer Units to the Entitled WCTH Shareholders whose names appear on the record of the Record of Depositors of WCTH on the basis of 1 Restricted Offer Unit for every eight 8 existing Shares held on a date to be announced by WCTH;

12. APPROVALS, CONDITIONS, WAIVERS AND VARIATIONS (Cont'd)

(B) up to 27,795,000 Units to the Eligible Directors and Employees; and

(C) 32,000,000 Units for application by Malaysian Public, of which 16,000,000 Units are reserved for application by the Bumiputera public investor via balloting.

The Restricted Offering is non-renounceable and non-tradeable. The Entitled WCTH Shareholders may fully or partially subscribe to the Restricted Offering.

(2) Institutional Offering of at least 305,342,500 Units to Malaysian institutional investors and selected investors comprising the following:

(A) 200,000,000 Units to Bumiputera investors approved by the MITI; and

(B) 105,342,500 Units to institutional investors and selected investors.

(d) Listing of and quotation for 1,600,000,000 Units on the Main Market of Bursa Securities.

12.1.1.2 Conditions

(a) The Manager to get an approval from the SC for it to be licensed for fund management in relation to asset management, restricted to REITs;

(b) The Manager or Maybank IB to submit an operational audit report on Paradigm REIT's operations to the SC within 6 months after Paradigm REIT is listed. The appointment of the external auditor and scope of work shall be subject to SC's clearance;

(c) Paradigm REIT to allocate Units equivalent to 12.5% of its enlarged number of issued Units to Bumiputera investors to be approved by the MITI in conjunction with the Listing; and

(d) Paradigm REIT to make available at least 50% of the Units offered to the Malaysian public investors via balloting to Bumiputera public investors.

12.1.2 The Authorisation and Licensing Department of the SC has, via its letter dated 4 March 2025, conditionally approved the Manager's application for a Capital Markets Services Licence for the regulated activity of fund management in relation to asset management restricted to REIT ("**CMSL**"), subject to, among others, the following:

(i) PRMSB must satisfy the following within 6 months from 4 March 2025:

(a) to appoint a licensed director;

(b) to appoint a chief executive;

(c) to appoint a responsible person for compliance; and

(d) to appoint at least 2 licensed representatives;

(ii) no adverse findings against the Manager, its controllers, directors, key personnel, responsible person for compliance, proposed licensed representatives and company secretaries from the vetting conducted;

12. APPROVALS, CONDITIONS, WAIVERS AND VARIATIONS (Cont'd)

- (iii) upon license issuance, the Manager is to undertake the following mitigating measures as long as the conflict of interest among common major unitholder / shareholder of WCTH and Pavilion REIT and common directors of WCTH and Pavilion Manager exists:
 - (a) none of the member of the board of directors and key management of the Manager shall hold concurrent positions on the board of directors and key management of Pavilion Manager;
 - (b) the majority of the members of the board of directors of the Manager shall comprise independent non-executive directors; and
 - (c) all members of the board of directors of the Manager shall not be:
 - (1) a person connected (as defined under the Listing Requirements) to major unitholder / shareholder of Pavilion REIT and/or WCTH; or
 - (2) a common director of the Manager, WCTH and/or Pavilion Manager;
- (iv) pursuant to paragraph 5.14 of the Guidelines on Corporate Governance for Capital Market Intermediaries, the Manager must have in place adequate policies and procedures in addressing any potential conflict of interest, including but not limited to identifying, managing and mitigating such conflicts;
- (v) post commencement of business, the Manager is required to conduct on-going assessment of its documented framework, policies and procedures to ensure it remains relevant and effective to its business size and operations; and
- (vi) upon license issuance, the Manager is to execute its business plan as presented in the application for the CMSL including the planned board composition and hiring plans, and ensure its policies and procedures are in line with applicable laws, regulations and guidelines at all times.

The SC has further, via its letter dated 10 March 2025, granted the CMSL to the Manager, and the Capital Markets Services Representative's Licence for the regulated activity of fund management in relation to asset management restricted to REIT to Chua Kah Noi Selena and Chong Kian Fah.

- 12.1.3 Bursa Securities has, via its letter dated 14 April 2025, approved the admission of Paradigm REIT to the Official List of the Main Market and for the listing of and quotation for the 1,600.0 million Units. In addition, Bursa Securities has via the same letter approved the issuance of up to 20.0 million Units as payment of Management Fee to the Manager on a staggered basis over a period of 5 years in accordance with the terms and formula set out in the Deed together with the listing of and quotation for such 20.0 million Units. The conditions imposed by Bursa Securities and the status of compliance are as follows:

Details of conditions imposed	Status of compliance
(i) Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Practice Note 21 of the Listing Requirements. In this respect, Paradigm REIT is advised to include the Stock Code, Stock Short Name and ISIN Code upon making the announcement on timetable for Offering;	To be complied.

12. APPROVALS, CONDITIONS, WAIVERS AND VARIATIONS (Cont'd)

<u>Details of conditions imposed</u>	<u>Status of compliance</u>
(ii) To furnish Bursa Securities with a confirmation of compliance with Paragraph 2.2(b)(ii)(aa) of Practice Note 5 of the Listing Requirements by all the Directors at least 2 market days prior to the date of Listing, together with copy of the Mandatory Accreditation Programme certificate; and	To be complied.
(iii) To furnish Bursa Securities on the first day of Listing a copy of the schedule of distribution showing compliance with the unit spread requirements based on the entire issued Units of Paradigm REIT.	To be complied.

12.1.4 The MITI has, via its letter dated 5 February 2025, approved the Manager's application for the issue of units to fulfil the Bumiputera equity requirement for purposes of the Listing.

12.2 RELIEFS AND WAIVERS

12.2.1 The SC has, via its letter dated 10 October 2024, approved the Manager's application for the following reliefs in respect of the CIS Prospectus Guidelines and the Asset Valuation Guidelines, and the conditions imposed by the SC as well as the status of compliance are as follows:

<u>Guidelines</u>	<u>Description</u>	<u>Details of condition imposed</u>	<u>Status of compliance</u>
<u>CIS Prospectus Guidelines</u>			
Paragraph 12.06(b) of Part II of the CIS Prospectus Guidelines	Disclosure of individual major tenants and their corresponding percentage contribution to gross rental income For the Subject Properties, to allow disclosure of the major tenants' percentage contribution to total gross rental income on an aggregated basis together with their individual percentage of occupied NLA. For the avoidance of doubt, other disclosure requirements under Paragraph 12.06(b) of Part II of the CIS Prospectus Guidelines will be complied with.	Nil	Not applicable.

12. APPROVALS, CONDITIONS, WAIVERS AND VARIATIONS (Cont'd)

Guidelines	Description	Details of condition imposed	Status of compliance
<u>Asset Valuation Guidelines</u>			
Paragraphs 4.12(e)(i) and 5.14(h) of the Asset Valuation Guidelines	Disclosure of a schedule showing details of existing tenancies in the valuation reports of the Subject Properties (I) For the Subject Properties, to allow the issuance of valuation reports and certificates without detailing the rental rates by tenant and the name of the lessee; and (II) For the Subject Properties, to allow the disclosure of only the average rental rate per square foot and aggregated rental by floor together with the lot number, lettable area and tenancy terms for the respective lots in the valuation report. For the avoidance of doubt, other disclosure requirements under Paragraphs 4.12(e)(i) and 5.14(h) of the Asset Valuation Guidelines will be complied with.	Nil Nil	Not applicable. Not applicable.

12. APPROVALS, CONDITIONS, WAIVERS AND VARIATIONS (Cont'd)

- 12.2.2 The SC has further, via its letter dated 3 March 2025, approved the Manager's application for the following relief in respect of the CIS Prospectus Guidelines, and the conditions imposed by the SC as well as the status of compliance are as follows:

Guidelines	Description	Details of condition imposed	Status of compliance
<u>CIS Prospectus Guidelines</u>			
Paragraphs 3.04(h) and 3.04(j) of Part VI of the CIS Prospectus Guidelines	Submission of the programme agreement in respect of the MTN Programme and the Underwriting Agreement To allow the programme agreement in respect of the MTN Programme and the Underwriting Agreement not to be submitted as part of the Prospectus for registration in compliance with Paragraph 3.01 of Part VI of the CIS Prospectus Guidelines, but to be submitted to the SC in compliance with Paragraphs 3.07 and 3.10(b) of Part VI of the CIS Prospectus Guidelines after obtaining the SC's approval for the Proposals, at least 14 business days prior to the intended date of registration of the Prospectus.	Nil	Not applicable.

- 12.2.3 The SC has further, via its letter dated 3 March 2025, approved the Manager's application for the following relief in respect of the REIT Guidelines, and the conditions imposed by the SC as well as the status of compliance are as follows:

Guidelines	Description	Details of condition imposed	Status of compliance
<u>REIT Guidelines</u>			
Paragraph 12.10(a) of the REIT Guidelines	To allow the placement of units under the Institutional Offering to EPF, being a connected party to WCTH, by virtue of EPF being a joint venture partner of WCTL	Nil	Not applicable.

13. OVERVIEW OF RELEVANT LAWS AND REGULATIONS IN MALAYSIA

13.1 OVERVIEW OF REGULATION OF REITS IN MALAYSIA

In Malaysia, REITs are governed and regulated by the SC and in addition, a listed REIT would also be subject to the purview of Bursa Securities. The SC is empowered to ensure compliance with the CMSA, the REIT Guidelines, the Guidelines on the Registration and Conduct of Capital Market Services Providers ("**Capital Market Services Providers Guidelines**"), the Guidelines on Conduct for Capital Market Intermediaries ("**Conduct Guidelines**"), the Guidelines on Corporate Governance for Capital Market Intermediaries ("**Corporate Governance Guidelines**") and the Rules on Take-Overs while Bursa Securities is empowered to ensure the compliance of the listed REITs with the relevant sections of the Listing Requirements. The appointments of the management company and the trustee are subject to the approval of the SC. The CMSA, the REIT Guidelines and the Listing Requirements serve to govern the operation and administration of REITs, the Capital Market Services Provider Guidelines serve to set out the requirements for the registration and conduct of the trustee, the Conduct Guidelines and the Corporate Governance Guidelines serve to set out the business conduct and corporate governance of a management company, and together with the Rules on Take-Overs serve to protect the interest of unitholders and to facilitate an orderly development of REITs. The trustee and the management company, including their officers and directors, must comply with the following laws, guidelines and requirement, whichever applicable:

- (i) CMSA;
- (ii) REIT Guidelines;
- (iii) Listing Requirements;
- (iv) Capital Market Services Providers Guidelines;
- (v) Conduct Guidelines;
- (vi) Corporate Governance Guidelines;
- (vii) Rules on Take-Overs; and
- (viii) all other Relevant Laws and Requirements.

13.1.1 Under the CMSA and/or the REIT Guidelines:

- (i) **Management company** – A management company must, among others, be an entity incorporated in Malaysia and hold a Capital Markets Services Licence ("**CMSL**") for the regulated activity of fund management in relation to asset management restricted to REITs and be approved by the SC. The REIT Guidelines contain provisions on foreign investments, composition of the board of directors (including independent members), appointment of key personnel which consists of a designated person responsible for the real estate portfolio management of the REITs and compliance officer, property manager as well as roles and responsibilities of a management company.
- (ii) **Trustee** – A trustee is also obliged by the CMSA to notify the SC as soon as practicable of any irregularity, any breach of the provisions or covenants of the trust deed and/or any contravention of CMSA or any inconsistency between the disclosures in the prospectus and the provisions or covenants of the trust deed, which is in the trustee's opinion, may indicate that the interests of unitholders are not being served.

13. OVERVIEW OF RELEVANT LAWS AND REGULATIONS IN MALAYSIA (Cont'd)

- (iii) **Investment of the REIT** – The REIT Guidelines set out the investment perimeters of REITs in Malaysia including, among other, permissible investments by the REITs, the requirements and restrictions on investments and activities (in which at least 75.0% of a REIT's total asset value must be invested in real estate that generates recurrent rental income at all times) and the level of borrowings or financing facilities (which must not exceed 50.0% of the total asset value of the REITs at the time of the borrowings or financing facilities, or deferred payment arrangements incurred).
- (iv) **Valuation** – Valuations of real estate in a listed REITs portfolio must be carried out at least once a financial year. The REIT Guidelines also governs the valuation of Real Estate and Non-Real Estate Assets, appointment of a valuer and preparation of the valuation report, regulatory parameters on valuation of real estate and announcement/publication of NAV per unit of REIT.
- (v) **Fees** – The REIT Guidelines contain provisions for the remuneration of the management company, remuneration of the trustee and other expenses of the REITs. The management company and the trustee may only be remunerated by way of an annual fee charged to REITs, and the management company may charge a fee for the acquisition or disposal of real estate by the REITs (provided that it has clear justification for each type of fees payable to the management company), which must be permitted by the trust deed and clearly disclosed in the prospectus and only expenses (or part thereof) directly related and necessary in operating and administering the REITs may be paid out of the REITs including, but not limited to, the maintenance of real estate belonging to the REITs, taxes and other duties charged on the REITs by the government and other authorities, fees for the valuation of any investment of the REITs and listing expenses for listing on the stock exchange.
- (vi) **Issue of securities by a REIT** – Any issue of new units by a REIT is subject to approval by the unitholders and, where relevant, the prior approval of the SC.
- (vii) **Operational matters** – The chapter on operational matters in the REIT Guidelines is in relation to the issues such as the register of unitholders, the branch register of unitholders outside Malaysia, distribution of income, rebates and soft commission, creation and cancellation of units, termination of REITs, transfer schemes, unitholders' meetings, notice of meetings, voting rights at meetings, chairperson of meetings, quorum at meetings, corporate governance principles and best industry standards for all activities conducted in relation to the REITs.

13.1.2 Under the Listing Requirements:

In addition to the prescribing the admission procedures and requirements for the admission and listing of a REIT on the Main Market, the Listing Requirements also prescribe the following:

- (i) **Board of directors of the management company** – The board of directors of the **management** company must have at least 2 independent directors or maintaining a minimum ratio of at least 1/3 independent directors, whichever is higher at all times;
- (ii) **General meetings** – The trust deed of a listed REIT is required to be in compliance with the Listing Requirements in relation to notice, proxies and voting rights of the unitholders;
- (iii) **Continuing listing obligation** – The chapter on continuing listing obligations cover the unitholding spread requirement of a listed REIT of at least 25.0% of the total number of listed units to be held by a minimum number of 1,000 public unitholders holding not less than 100 units each;

13. OVERVIEW OF RELEVANT LAWS AND REGULATIONS IN MALAYSIA (Cont'd)

- (iv) **Continuing disclosure** – The chapter on continuing disclosure requirements sets out the disclosure policy of Bursa Securities with a listed REIT is required to adhere to, immediate disclosure of any material information, preparation of announcements, financial statements and reports, and consequences for failure to comply;
- (v) **Issue of securities by a REIT** – Any issuance of new units by a REIT is subject to approval by the unitholders and approval of Bursa Securities; and
- (vi) **Transactions** – A REIT undertaking an acquisition or disposal of real estate from non-related parties and related parties are subject to the requirements set out in the Listing Requirements.

13.1.3 Under the Capital Market Services Providers Guidelines:

- (i) **The trustee** – The requirements of a trustee include, among other things, that it must be a trust company registered under the Trust Companies Act 1949 or incorporated under the Public Trust Corporation Act 1995, be registered with the SC, have a minimum issued and paid-up capital of not less than RM500,000 and minimum shareholders' funds of RM1 million at all times, have adequate human resources with the necessary qualification, expertise, and experience and have adequate and appropriate systems, procedures and processes, to carry out its duties and responsibilities.
- (ii) **Delegation and outsourcing** – A trustee may delegate and outsource its functions to third parties. Nonetheless, this does not relieve a trustee from its responsibilities. When delegation takes place, it is the duty of the trustee to ensure that adequate procedures are in place and that the trust deed, prospectus, guidelines and securities laws are complied with. Note also that the delegation of a management company's function requires notification to the SC in writing.

13.1.4 Under the Conduct Guidelines and/or Corporate Governance Guidelines:

- (i) **Minimum standards of conduct** – A management company and its representatives must act with honesty and fairness, exercise reasonable care, skill and diligence when carrying on its capital market related services, use their best endeavours to identify and avoid any actual or potential conflict of interest, have proper safeguards in place to protect its clients' assets and information and at all times promote open and effective communication with its clients and regulators. The board of directors and senior management of a management company must, where applicable, establish, implement and maintain effective controls, policies and procedures for ensuring compliance with the minimum standards of conduct.
- (ii) **Board of directors** – The appointment of the directors of a management company shall have due regard to any actual or potential conflicts of interest arising from the appointment and his standing with any relevant regulator. The board of a management company must comprise individuals with appropriate mix of skills, knowledge, experience and independence that fit the objectives and strategic goals of the management company. The board of a management company must meet regularly to, among others, review the business operation and management of the management company, monitor the financial and non-financial performance of the management company and deliberate on strategic issues. The board of a management company must ensure that it has policies and processes to mitigate, manage and address actual and potential conflicts of interest situation that may arise including any transaction, procedure or course of conduct that raises questions of management integrity.

13. OVERVIEW OF RELEVANT LAWS AND REGULATIONS IN MALAYSIA (Cont'd)

- (iii) **Senior management** – The senior management of a management company must, among others, understand the nature of the business of the management company, establish a management structure that promotes accountability and transparency across the operations of a management company and preserves the effectiveness and independence of control function and promote a corporate culture which reinforces, among others, ethical prudent and professional behaviour honesty fairness, trust and high performance.
- (iv) **Risk management, compliance and internal audit** – The board of a management company must determine its risk appetite and tolerance, including the nature and extent of the material risks, which the board of a management company is willing to take in achieving its strategic objectives. The board of a management company must ensure that the management company's risk governance framework, supported by appropriate policies, control procedures and processes commensurate with the management company's size, complexity and risk profile. The board of a CMSL holder must review and approve the internal audit charter that defines the remit for the internal audit function, including its purpose, authority and responsibility.

13.1.5 Under the Rules on Take-Overs:

The Rules on Take-Overs applies to REITs that are listed on Bursa Securities. Under the Rules on Take-Overs, any person acquiring an interest, either individually or with parties in concert, in more than 33.0% of the Units (being voting units in Paradigm REIT) is required to extend a mandatory offer for the remaining Units in accordance with the Rules on Take-Overs, unless otherwise exempted. A take-over offer is also required to be made if a person holding more than 33.0% but not more than 50.0% of the Units, either individually or with parties acting in concert, acquires more than 2.0% of the Units in any 6-month period under the Rules on Take-Overs, unless otherwise exempted.

As a result, acquisitions of Units which may result in a change in control of Paradigm REIT will be subject to the provisions of the Rules on Take-Overs, such as a requirement to make a mandatory offer for Units.

13.2 OVERVIEW OF LAND LAW

13.2.1 The Land System

In Malaysia, land law is based on the Torrens system of South Australia which operates on the principle of "title by registration". Notwithstanding the adoption of Torrens system in Malaysia, some lands in the state of Penang and Malacca are still governed by the deed system. The National Land Code (Penang and Malacca Titles) Act 1963 ("**NLC**") was thus enacted to govern such lands and to convert the deed system in Penang and Malacca to the Torrens system used under the National Land Code (Revised 2020) ("**NLC**").

Pursuant to the Federal Constitution of Malaysia ("**Constitution**"), land matters generally lie within the jurisdiction of the state governments. However, the Constitution specifically provides for federal legislation in such matters for the purposes of ensuring uniformity of law and policy in various aspects of land matters which are not exercisable with regard to the states of Sabah and Sarawak.

13. OVERVIEW OF RELEVANT LAWS AND REGULATIONS IN MALAYSIA (Cont'd)

The following are the primary pieces of legislation governing land law in Malaysia, the operation of which is supplemented by various subsidiary legislations such as the various state land enactments and ordinances which are in force in the respective states in Malaysia:

- (i) the NLC;
- (ii) the NLCPM;
- (iii) Strata Titles Act 1985 ("**STA**");
- (iv) Strata Management Act 2013 ("**SMA**");
- (v) Sarawak Land Code (Cap 81) ("**Sarawak Land Code**"); and
- (vi) Sabah Land Ordinance (Cap 68) ("**Sabah Land Ordinance**").

The NLC is an act which amends and consolidates the laws relating to land and land tenure, the registration of title to land and dealings therewith and the collection of revenue therefrom within the states of Johor, Kedah, Kelantan, Malacca, Negeri Sembilan, Pahang, Penang, Perak, Perlis, Selangor, Terengganu, the Federal Territory of Kuala Lumpur, the Federal Territory of Putrajaya and the Federal Territory of Labuan, and for purposes connected therewith while in the states of Sabah and Sarawak, the respective Sabah Land Ordinance and Sarawak Land Code apply.

The rest of the Section 14.2 of this Prospectus will cover land law applicable to the states in Peninsular Malaysia and the Federal Territories of Malaysia.

The NLCPM was enacted to provide for the conversion of the system of registration of deeds practiced prior to 1966 to the Torrens system.

The STA is an act to facilitate the subdivision of buildings or lands into parcels and the issuance of separate strata titles in relation to the same within Peninsular Malaysia and the Federal Territories and the disposition of titles thereto for the purposes connected therewith.

The SMA is an act which provides for the proper maintenance and management of buildings and common property within Peninsular Malaysia and the Federal Territories and for matters incidental thereto.

The NLC expressly provides that it shall not (unless expressly provided to the contrary) affect the provisions of:

- (i) any law relating to customary tenure;
- (ii) any law relating to Malay reservations or Malay holdings;
- (iii) any law relating to mining;
- (iv) any law relating to sultanate lands;
- (v) any law relating to wakaf (relating to the endowment of property for religious and/or public purposes in accordance with Islamic teachings) or baitulmal (an Islamic non-profit financial organisation providing benefits to community members and organisations);
- (vi) the Terengganu Settlement Enactment 1356;
- (vii) the Padi Cultivators (Control of Rent and Security of Tenure) Act 1967;

13. OVERVIEW OF RELEVANT LAWS AND REGULATIONS IN MALAYSIA (Cont'd)

- (viii) the Kelantan Land Settlement Act 1955;
- (ix) the Land (Group Settlement Areas) Act 1960;
- (x) the Perlis Land Settlement Enactment 1966; and
- (xi) any law for the time being in force relating to exemptions from the payment of land revenue.

13.2.2 Indefeasibility of Title

Pursuant to the NLC, a person will obtain an indefeasible title to or interest in the land after his/her proprietorship to or interest in land is being registered on the document of title. However, the indefeasibility of the title can be defeated under those circumstances as provided in Section 340(2) of the NLC, which include fraud, misrepresentation or forgery, or where the registration of title or interest is obtained by the use of an insufficient or void instrument or where the title or interest is unlawfully acquired.

13.2.3 Powers of the State Authority

The State Authority is vested with the entire property in all state lands under the NLC. Pursuant to the NLC, "State Authority" refers to the Ruler or Governor of the state, as the case may be, and "state land" refers to all land in the state (including so much of the bed of any river, and of the foreshore and the bed of the sea, as is within the territories of the state or the limits of territorial waters) other than land that has already been alienated or reserved (whether as forest or otherwise) or mining land.

Under the NLC, the State Authority has power to alienate land for either:

- (i) a term not exceeding 99 years (commonly referred to as leasehold); or
- (ii) in perpetuity (commonly referred to as freehold).

The power to alienate land by the State Authority is the most common method of disposal of land. The alienation of land by the State Authority is subject to certain conditions such as:

- (i) payment of annual rent;
- (ii) payment of premium (which is subject to exemption by the State Authority);
- (iii) category of land use; and
- (iv) such conditions and restrictions in interest which may be imposed by the State Authority.

Unless an application is made to the State Authority for the extension of the term and such application is approved by the State Authority usually upon the payment of a premium, land alienated for a term not exceeding 99 years shall upon the expiry of such term revert to the State Authority.

In addition to the power to alienate land, the State Authority also has the power to:

- (i) reserve land and grant leases of reserve land for a specific purpose not exceeding 21 years;
- (ii) permit temporary occupation of land;
- (iii) permit the extraction and removal of rock material from land;

- (iv) permit the use of air space on or above land; and
- (v) dispose of underground land.

13.2.4 Categories of Land Use

Land in Malaysia is divided into 3 general categories of land use, namely agricultural, industrial and building. The category of land use is endorsed on the documents of title issued in respect of those land alienated by the State Authority pursuant to the NLC.

However, on approving the alienation of land, the State Authority may, if it is satisfied that the imposition of express conditions could better control the use of the land, direct that no category of land use be endorsed on the document of title.

An application may be made to the State Authority by the proprietor of any alienated land for the alteration of any category of land use to which the land is for the time being subject, or where it is not so subject, for the imposition of any category.

Each category of land use is subject to implied conditions as more particularly set out in the NLC. Additionally, specific uses may be specified in the documents of title to land. Failure to comply with express or implied conditions of land use may result in the forfeiture of land by the State Authority.

13.2.5 Dealings in Land

The NLC governs dealings in land and interest in land (which in the context of the NLC includes a registered lease, charge or easement as well as a statutory lien or a tenancy exempt from registration created in respect thereof). Dealings under the NLC may be divided into:

- (i) dealings capable of registration which are transfers, charges, leases and easements; and
- (ii) dealings not capable of registration which are tenancies exempt from registration and statutory liens which are protected by way of an endorsement and the entry of a lien-holder's caveat.

In Malaysia, no instrument effecting any dealing with respect to alienated lands and/or interests therein shall be effective until such instrument has been duly registered.

13.2.6 Restrictions in Interest

Restrictions in interest are restrictions expressly endorsed on the document of title to the land which limits the powers of the registered proprietor to deal with the land. An example of such a restriction is the restriction to transfer, charge or lease the land unless the prior consent of the State Authority has been obtained. It is common to find such restrictions in interest endorsed on the documents of title to lands alienated by the State Authority for the terms not exceeding 99 years as opposed to lands alienated by the State Authority in perpetuity. As restrictions in interest imposed on the document of title to the land binds the land, the restrictions therefore bind the owner(s) (whether present or future) of the land.

In the case of a property held or to be held under a strata title, where there is a restriction in interest endorsed on the document of title to the master land, such restriction will also apply to such property, whether or not the separate strata title to such property has been issued.

13.2.7 Restraints on Dealings

Restraints on dealings include the following:

(i) Private caveats

Private caveat is one of the restraints on dealings under the NLC. A person claiming title to or any registrable interest in any alienated land or any right to such title or interest may lodge a private caveat to protect this title or interest in such alienated land. Under the NLC, a non-citizen or foreign company is required to obtain the prior approval of the State Authority before lodging a private caveat.

Once a private caveat is lodged, the registered proprietor may not register or endorse any dealing on the document of title to his land without first removing such private caveat or first obtaining the consent in writing of the person who lodged such private caveat. However, the private caveat will not prevent any dealing made by the registered proprietor, the application for the registration or endorsement of which is made by the registered proprietor before the lodgement of such private caveat.

An application may be made to the Registrar of Titles/Land Administrator or the court by a registered proprietor (or any aggrieved person or body) for the removal of the private caveat. A private caveat will expire 6 years from the time of the lodgement of the same, unless earlier withdrawn or removed by the person who lodged such private caveat, the Registrar of Titles/Land Administrator or the court.

(ii) Trust caveat

A trust caveat is another type of restraint of dealing under the NLC and has the same legal effect as a private caveat. However, a trust caveat may only be lodged by a trustee, a beneficiary or any person or body by whom any land or interest is first transferred to trustees. A trust caveat will continue in force until it is cancelled by the Registrar of Titles/Land Administrator on an application made by the trustees for the time being and all person and bodies beneficially entitled under the trust.

(iii) Prohibitory orders

Pursuant to the NLC, "prohibitory order" means where land or an interest in land held by a judgment-debtor is to be sold in execution proceedings, an order made pursuant to rules of court by a court of competent jurisdiction prohibiting the judgment-debtor from effecting any dealing therewith or from effecting such dealing therewith as may be specified in the order.

A prohibitory order will take effect once it has been entered by the land registrar and endorsed on the document of title. The order will prohibit the following endorsement or entry:

- (a) any instrument of dealing executed by or on behalf of the proprietor save and except for any certificate of sale relating thereto;
- (b) any claim to the benefit of any tenancy exempt from registration granted by the proprietor; and
- (c) any lien-holder's caveat.

However, a prohibitory order will not prohibit the registration, endorsement or entry of any instrument, claim or lien-holder's caveat where the instrument was presented, or the application for endorsement or entry received, prior to the time from which the order takes effect.

13.2.8 Malay reserve land and customary land

The Malay Reservation Enactments of the respective states in Malaysia were enacted to secure and protect the Malays' interest in lands reserved for Malays by prohibiting the disposition of such lands by the state and the dealings by the registered proprietors in favour of non-Malays. Any disposal, dealing or attempt to dispose of or deal in Malay reserve land in contravention of the respective Malay Reservation Enactments will be rendered null and void and no action for breach of contract shall be maintained in respect of such disposal or dealing.

The present Malay Reservation Enactments have adopted the policy of providing for exceptions to the prohibition by permitting disposals by the State Authority and dealings by the registered proprietors in favour of certain specified persons and bodies with the approval of the ruler of the state in council of the respective states.

In the same manner, customary land such as those in the state of Malacca, shall only be transferred, charged, leased or transmitted to a Malay pursuant to NLCPM.

13.2.9 Charges

It is common for a financier to require an obligor to create a charge over the land or a lease of land of the obligor in favour of the financier as a security for the financing provided.

A registered proprietor's or registered lessee's power to charge the land or the lease, as the case may be, is subject to any prohibition or limitation imposed by the NLC or any other written law for the time being in force, any restrictions in interest to which the land in question is for the time being subject and in relation to leases, the provision thereof, express or implied.

Every charge created under the NLC shall take effect upon registration so as to render the land or lease in question liable as security in accordance with the provisions thereof, express or implied.

A chargee is required to comply with the NLC when enforcing the charge to obtain a sale of the land or lease to which the charge relates in the event of a breach by the obligor. The chargee is required, among other things, to serve a default notice in the form as prescribed by the NLC and apply to the court or the land office administrator, as the case may be, for an order for sale. Upon the registration of any certificate of sale given to a purchaser in respect of a charged land or lease, the title or interest of the registered proprietor/charger shall pass to and vest in the purchaser, free and discharged from all liabilities under the charge in question and any charge subsequent thereto.

13.2.10 Leases and Tenancies

Under the NLC, tenancies may be granted for terms not exceeding 3 years. There is no registration requirement for tenancies under the NLC but the interest of a tenant under a tenancy exempt from registration can be protected by way of an endorsement on the document of title to the land.

13. OVERVIEW OF RELEVANT LAWS AND REGULATIONS IN MALAYSIA (*Cont'd*)

The proprietor of any alienated land may grant leases of the whole or any part of the land. A lease granted under the NLC must be more than 3 years and maximum term for which any lease may be so granted shall be:

- (i) 99 years if it relates to the whole of the land; or
- (ii) 30 years if it relates to a part only thereof.

The lease granted is required to be registered with the relevant land registry or land office in order to vest in the lessee the interest in respect of the said lease.

13.2.11 Sale and Purchase of Real Property

The sale and purchase of real property in Malaysia may be completed by way of transfer or legal assignment. Any transfer of a property with a separate document of title is effected by registration of an instrument of transfer in a format prescribed under the NLC at the relevant land registry or land office. For a property without a separate document of title having been issued, transfer of beneficial ownership of the property is made by way of a legal assignment in favour of a new purchaser of all the rights, interests and title in respect of the property under the principal sale and purchase agreement (made between the original proprietor of the land and/or the developer (as the seller) and the first purchaser).

13.2.12 Properties held under Strata Titles

- (i) Under the STA, the following building or land shall be capable of being subdivided into parcels each of which is to be held under a strata title or an accessory parcel:
 - (a) any building having two (2) or more storeys on alienated land held as one (1) lot under final title and any land on the same lot; and
 - (b) any alienated land having two (2) or more buildings held as one (1) lot under final title.

Where the original proprietor of a building has sold or agreed to sell any parcel comprised in the aforesaid building to any person, it shall be compulsory for the original proprietor to apply for an individual strata title to the parcel within the period stipulated in the STA.

- (ii) The establishment and functions of the joint management body (“**JMB**”), the management corporation (“**MC**”) and the subsidiary management corporation (“**Sub-MC**”) for the purpose of managing and maintaining the common properties and the limited common properties of those buildings constructed on the land situated within West Malaysia and the Federal Territory of Labuan have been provided for in the SMA and Strata Management (Maintenance and Management) Regulations 2015 (“**SM Regulations**”).

(a) **JMB**

Pursuant to the SMA, the JMB shall be established consisting of the developer and the purchasers upon the convening of the first annual general meeting of the JMB. Upon its establishment, the JMB is responsible for the maintenance and management of the common property. In the event the MC comes into existence before the first annual general meeting of the JMB is convened, the first annual general meeting shall not be required to be convened and no JMB shall be established for that development area and the provisions on MC shall apply to the development area.

Pending the establishment of the JMB, the developer shall be responsible for the maintenance and management of the common property.

The JMB shall elect a joint management committee, which shall consist of such number of persons as the joint management committee may determine in a general meeting but in any case, not less than 3 and not more than 14 natural persons to perform the duties of the JMB, conduct the business of the JMB on its behalf and for that purpose, to exercise the powers of the JMB under the SMA. The joint management committee shall include the developer.

The by-laws set out in the Third Schedule of the SM Regulations shall have effect in relation to every building or land intended for subdivision into parcels and the common property. The JMB may, by special resolution make additional by-laws, or make amendments to such additional by-laws, not inconsistent with the by-laws set out in the Third Schedule of the SM Regulations for regulating the control, management, administration, use and enjoyment of the building or land intended for subdivision into parcels and the common property.

The JMB will be deemed to be dissolved 3 months from the date of the first meeting of the MC.

(b) MC

Upon the opening of a book of the strata register in respect of a subdivided building or land, there shall come into existence the MC consisting of all the parcel proprietors including in the case of phased development, the proprietor of the provisional block or blocks. The MC shall, on coming into existence, become the proprietor of the common property and be the custodian of the issue document of title of the common property. Upon its establishment, the MC is responsible for, inter alia, the maintenance and management of the common property.

The by-laws set out in the Third Schedule of the SM Regulations shall have effect in relation to every subdivided building or land and common property. The MC may, by special resolution make additional by-laws, or make amendments to such additional by-laws, not inconsistent with the by-laws set out in the Third Schedule of the SM Regulations for regulating the control, management, administration, use and enjoyment of the subdivided building or land and the common property.

(c) Sub-MC

The MC may designate limited common property and create 1 or more Sub-MC for the purpose of representing the different interests of parcel proprietors by way of comprehensive resolution conducted under the SMA.

Limited common property designated by a comprehensive resolution shall describe, identify or define the boundaries or area of the limited common property in the special plan and specify each parcel comprised in that special plan whose proprietors are entitled to the exclusive benefit of the limited common property.

The Sub-MC is established upon issuance of the certificate by the Director of Lands and Mines certifying that the Sub-MC is a body corporate constituted under the STA on the day specified in the certificate. The Sub-MC shall comprise of all the proprietors of all parcels comprised in the development area for whose exclusive benefit the limited common property is designated.

A Sub-MC shall have the same powers and duties as the MC in relation to all matters which relate solely to the limited common property designated for the exclusive benefit of all proprietors comprising the Sub-MC. After the establishment of the Sub-MC, the MC shall retain its powers and duties in matters concerning common property of the development area which is not designated as limited common property.

A Sub-MC for any limited common property may manage and maintain any common property within that same development area or any other limited common property of another Sub-MC within that development area upon such terms and conditions as may be agreed between the Sub-MC and the MC or other Sub-MC, as the case may be.

The by-laws of the MC shall apply to the limited common property managed and maintained by the Sub-MC unless the by-laws have been otherwise amended by the Sub-MC pursuant to a special resolution passed at a general meeting of the Sub-MC and in respect of any matter that relates solely to that limited common property or Sub-MC. The Sub-MC may, by special resolution make additional bylaws, or make amendments to such additional by-laws, not inconsistent with the by-laws set out in the Third Schedule of the SM Regulations relating to the limited common property designated for the exclusive benefit of all the parcels in the Sub-MC.

The proprietors who constitute the Sub-MC may call and hold meetings and pass resolutions in the same manner as proprietors constituting a MC.

13.2.13 Acquisition of Property by a Non-Citizen or Foreign Company

Pursuant to Section 433B of the NLC, a non-citizen or foreign company is not allowed to, among others, acquire any land in Malaysia unless the prior approval of the State Authority has been obtained.

Under the NLC, a foreign company means:

- (i) a company, corporation, society, association or other body incorporated outside Malaysia;
- (ii) an unincorporated society, association or other body which under the law of its place of origin may sue or be sued, or hold property in the name of the secretary or other officer of the body or association duly appointed for that purpose and which does not have its head office or principal place of business in Malaysia;
- (iii) a company incorporated under the Companies Act with 50.0% or more of its voting shares being held by a non-citizen, or by a foreign company referred to in paragraph (i) or (ii) above, or by both, at the time of the proposed acquisition of any land or any interest in land or at the time of the execution of the instrument or deed in respect of any alienated land or any interest therein, as the case may be; or

13. OVERVIEW OF RELEVANT LAWS AND REGULATIONS IN MALAYSIA (Cont'd)

- (iv) a company incorporated under the Companies Act with 50.0% or more of its voting shares being held by a company referred to in paragraph (iii) above, or by a company referred to in paragraph (iii) above together with a non-citizen or a foreign company referred to in paragraph (i) or (ii) above, at the time of the proposed acquisition of any land or interest in land or at the time of the execution of the instrument or deed in respect of any alienated land or any interest therein, as the case may be.

Under the NLC, a non-citizen means a natural person who is not a citizen of Malaysia.

13.2.14 Guideline on the Acquisition of Properties

Pursuant to the Guideline on the Acquisition of Properties (with effect from 1 March 2014) ("**Guideline**") issued by the Economic Planning Unit within the Prime Ministers Department ("**EPU**") or any other equivalent ministry, department or unit in charge of granting the approval pursuant to the Guideline, except for residential units, the following transactions shall require the approval of EPU:

- (i) direct acquisition of property valued at RM20.0 million and above, resulting in the dilution in the ownership of property held by Bumiputra interest and/or government agency; and
- (ii) indirect acquisition of property by interests other than Bumiputera interest through acquisition of shares, resulting in a change of control of the company owned by Bumiputera interest and/or government agency, having property more than 50.0% of its total assets in value, and the said property is valued more than RM20.0 million.

In addition to the requirement that the said property must be registered in the name of a locally incorporated company, the following equity and paid-up capital conditions will be imposed on the acquiring company for the acquisitions of properties requiring prior approval of EPU as set out above:

- (i) the acquiring company must have at least 30.0% Bumiputera interest shareholdings; and
- (ii) the acquiring company must have:
 - (a) a paid-up capital of at least RM100,000.00 if the acquiring company is owned by local interests; and
 - (b) a paid-up capital of at least RM250,000.00 if the acquiring company is owned by foreign interests.

14. ADDITIONAL INFORMATION

14.1 GENERAL

- (i) No Units will be allotted or issued on the basis of this Prospectus later than 12 months after the date of this Prospectus, save for the Units to be received by the Manager as payment for its Management Fees.
- (ii) The Units will rank *pari passu* in all respects and will be entitled to all distributions that may be declared subsequent to the date of this Prospectus.
- (iii) In accordance with the Deed and REIT Guidelines, the Manager is required, on a quarterly basis, to announce the NAV per Unit to Bursa Securities. The Unitholders are able to keep track of the market price per Unit and the NAV per Unit as announced by the Manager through Bursa Securities' website at www.bursamalaysia.com.
- (iv) Paradigm REIT will also be providing the Unitholders with an annual report on its performance which will also include information on the NAV per Unit. The Manager must also give SC the annual report no later than 2 months after the end of the financial period to which the report relates.

The Unitholders can obtain information on the current developments and annual reports of Paradigm REIT from the Bursa Securities' website at www.bursamalaysia.com and Paradigm REIT's website, details of which are set out below, after the Listing.

- (v) If you require further information on Paradigm REIT, the Manager may be contacted at:

B-29-03, The Ascent, Paradigm
No. 1, Jalan SS7/26A
Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Telephone No. (03) 7610 3880
Email: ceo@paradigm-reit.com
Website: www.paradigm-reit.com

- (vi) Save as disclosed in this Prospectus, as at the LPD, the Directors confirm that Paradigm REIT's financial conditions and operations are not affected by any of the following factors:
 - (a) known trends, demands, commitments, events or uncertainties that have, had or that the Manager reasonably expects to have, a material favourable or unfavourable impact on Paradigm REIT's financial performance, liquidity, position and operations;
 - (b) material commitments for capital expenditure; and
 - (c) unusual, infrequent events or transactions or any significant economic changes that have materiality affected Paradigm REIT's financial conditions and operations.

14. ADDITIONAL INFORMATION *(Cont'd)*

14.2 MATERIAL CONTRACTS

Since Paradigm REIT's establishment up to the date of this Prospectus, the details of the material contracts entered into by Paradigm REIT (via the Trustee), not being contracts entered into in the ordinary course of business of Paradigm REIT are as follows:

- (i) the Deed dated 11 March 2025 constituting Paradigm REIT and registered with the SC on 13 March 2025, entered into between the Manager and the Trustee (on behalf of Paradigm REIT), for the benefits of the Unitholders;
- (ii) the SPA in respect of Bukit Tinggi Shopping Centre dated 13 March 2025 entered into between the Trustee (on behalf of Paradigm REIT) and GWSB for the purchase of the Bukit Tinggi Shopping Centre for a purchase consideration of RM680,000,000;
- (iii) the SPA in respect of Paradigm Mall PJ dated 13 March 2025 entered into between the Trustee (on behalf of Paradigm REIT) and JPSB for the purchase of the Paradigm Mall PJ for a purchase consideration of RM600,000,000;
- (iv) the SPA in respect of Paradigm Mall JB dated 13 March 2025 entered into between the Trustee (on behalf of Paradigm REIT) and WCTHJ for the purchase of the Paradigm Mall JB for a purchase consideration of RM1,157,000,000;
- (v) the Property Management Agreement dated 7 April 2025 entered into between the Property Manager, the Manager and the Trustee (on behalf of Paradigm REIT) for the provision of certain property management services for the Subject Properties at a property management fee of RM25,000 per month;
- (vi) Deed of Assignment dated 7 April 2025 entered into between WCTMM and the Trustee (on behalf of Paradigm REIT) for the assignment of the trademarks as set out in Section 1.10 "Intellectual Property" of this Prospectus in favour of the Trustee (on behalf of Paradigm REIT) at a nominal consideration of RM10 following the completion of the Acquisitions;
- (vii) the Underwriting Agreement dated 21 April 2025 entered into between the Manager, WCTH, Selling Subsidiary, the Trustee (on behalf of Paradigm REIT) and the Joint Underwriters for the underwriting of 254,657,500 Offer Units under the Retail Offering;
- (viii) the lock-up agreement dated 21 April 2025 entered into between the Joint Bookrunners and the Manager;
- (ix) the lock-up agreement dated 21 April 2025 entered into between the Joint Bookrunners and the Sponsor;
- (x) the lock-up agreement dated 21 April 2025 entered into between the Joint Bookrunners and JPSB; and
- (xi) the programme agreement dated 24 April 2025 entered into between Paradigm Capital, Maybank IB and AmlInvestment Bank in respect of the MTN Programme.

14.3 SALIENT TERMS OF THE SPAs

*For the purpose of this Section 14.3, the term "**Purchaser**" refers to the Trustee which will hold all rights and interests pursuant to and arising from the SPAs on trust for Paradigm REIT and for the benefit of the Unitholders in accordance with and subject to the terms and conditions of Deed.*

14.3.1 Overview of the SPAs

- (i) Subject to the terms and conditions contained in the SPAs, the Vendors (as registered and beneficial owner) shall sell and the Purchaser shall purchase the Subject Properties for the sale and purchase consideration, upon the terms and subject to the conditions in the SPAs.
- (ii) The Subject Properties shall be sold to the Purchaser –
 - (a) in its present state and condition (fair wear and tear excepted);
 - (b) free from any encumbrances, save for the existing charges created in respect of the Subject Properties and the lease created in respect of Bukit Tinggi Shopping Centre;
 - (c) with legal possession, subject to the tenancies and the contracts together with all rights, benefits and obligations thereunder;
 - (d) in the working and operational condition as represented to the Purchaser on or before the date of the SPAs;
 - (e) subject to all conditions of title and restrictions in interest (whether expressed or implied) in the documents of title relating to the Subject Properties or otherwise affecting the Subject Properties;
 - (f) subject to the existing category of land use affecting the Subject Properties;
 - (g) with the free rights and liberties for the Purchaser, its successors in title, assigns, servants, agents, licensees and invitees in common with the Vendors and all other persons having the like rights and liberties to use with or without vehicles of every description at all times and for all purposes whatsoever connected with the use and enjoyment of the Subject Properties and to pass or repass along, over and upon all roads serving the Subject Properties including sidewalks, paths, walkway and ramps; and
 - (h) on the basis that each of the warranties and representatives of the Vendors contained in the SPAs are true and accurate in all respects.

14.3.2 Interdependence

The Purchaser is not obliged to complete the purchase of any of the Subject Properties unless the purchase of all the Subject Properties is completed concurrently. If any or all of the SPAs is or are rescinded or terminated for any reasons whatsoever, the Purchaser shall have the option to proceed with the completion of the remaining SPA(s). If the Purchaser opts not to proceed with the completion of such remaining SPAs, the SPAs will by reason of such rescission or termination be rescinded.

14.3.3 Conditions Precedent

The completion of the sale and purchase of the Subject Properties pursuant to the terms and subject to the conditions set out in the SPAs will in all respects be conditional upon the following conditions precedent being fulfilled or obtained or waived (as the case may be) by the date falling 6 months from the date of the SPAs, or such extended date as the Vendors and the Purchaser may mutually agree upon in writing:

- (i) WCTH, being the holding company of the Vendors, having obtained the approval of its shareholders at a general meeting to be convened for, among others, the sale of the Subject Properties by the Vendors to the Purchaser upon the terms and conditions contained in the SPAs;

14. ADDITIONAL INFORMATION *(Cont'd)*

- (ii) the Manager having obtained the approval of Bursa Securities for the Listing.
- (iii) this Prospectus for the Offering and Listing having been issued;
- (iv) the issuance of the written confirmation by the Manager to the solicitors, confirming that (a) the Manager and the Vendors have satisfied the relevant conditions, variations or revisions imposed by the SC and Bursa Securities in respect of the acquisition of the Subject Properties which are capable of being satisfied up to the date of such written confirmation; and (b) the Purchaser's and the Manager's satisfaction with the results of the bookbuilding exercise;
- (v) the Vendors having obtained the written consent of the respective chargees for the sale of the Subject Properties by the Vendors to the Purchaser, upon the terms and conditions contained in the relevant SPAs;
- (vi) in respect of Paradigm Mall PJ only, JPSB having obtained the approval of the state authority for the transfer of Paradigm Mall PJ by JPSB to the Purchaser;
- (vii) in respect of Bukit Tinggi Shopping Centre only, GWSB having obtained the written consent of the registered lessee for the transfer of Bukit Tinggi Shopping Centre by GWSB to the Purchaser; and
- (viii) any other approvals, waivers or consents of any authorities or parties as may be required by law or regulation or deemed necessary by the Vendors and the Purchaser.

14.3.4 Unconditional Date

The SPAs shall become unconditional on the business day upon which all the conditions precedent in Section 14.3.3 above have been fulfilled or obtained or waived, as the case may be ("**Unconditional Date**").

14.3.5 Sale and purchase consideration

- (i) The total sale and purchase consideration of Paradigm Mall JB shall be RM1,157,000,000.00, which shall be satisfied in the following manner:
 - (a) the sum of RM1,020,000,000.00 payable by the issuance and allotment of 1,020,000,000 Consideration Units as part of the satisfaction of the purchase consideration at an issue price of RM1.00 per Unit credited to the depository accounts of WCTHJ and WCTH (as its nominee appointed pursuant to paragraph 14.3.6(i) below) on or before the Completion Date (as hereinafter defined); and
 - (b) the balance of the purchase consideration of RM137,000,000.00 payable in cash on or before the Completion Date.
- (ii) The total sale and purchase consideration of Paradigm Mall PJ shall be RM600,000,000.00, which shall be satisfied in the following manner:
 - (a) the sum of RM230,000,000.00 payable by the issuance and allotment of 230,000,000 Consideration Units as part of the satisfaction of the purchase consideration at an issue price of RM1.00 per Unit credited to the depository account of JPSB on or before the Completion Date; and
 - (b) the balance of the purchase consideration of RM370,000,000.00 payable in cash on or before the Completion Date.
- (iii) The total sale and purchase consideration of Bukit Tinggi Shopping Centre shall be RM680,000,000.00, which shall be satisfied in the following manner:

14. ADDITIONAL INFORMATION *(Cont'd)*

- (a) the sum of RM350,000,000.00 payable by the issuance and allotment of 350,000,000 Consideration Units as part of the satisfaction of the purchase consideration at an issue price of RM1.00 per Unit credited to the depository account of GWSB or its nominee appointed pursuant to paragraph 14.3.6(ii) below (if applicable) on or before the Completion Date; and
- (b) the balance of the purchase consideration of RM330,000,000.00 payable in cash on or before the Completion Date.

14.3.6 Vendors entitled to appoint nominee for Units

- (i) In respect of Paradigm Mall JB, WCTHJ and the Purchaser acknowledge and agree that WCTH is the sole nominee appointed by WCTHJ to receive and accept 460,000,000 Consideration Units in place of WCTHJ. In view thereof, the Purchaser undertakes to allot and issue 460,000,000 Consideration Units to WCTH, at the sole and absolute cost and expense of WCTHJ, and provided always that WCTHJ shall fully indemnify the Purchaser from and against any costs and expenses and liabilities thereby incurred in respect thereof.
- (ii) In respect of Bukit Tinggi Shopping Centre, GWSB and the Purchaser acknowledge and agree that GWSB will be entitled, at any time prior to completion, to appoint WCTH to receive and accept the entire 350,000,000 Consideration Units in place of GWSB by giving to the Purchaser a notice in writing of such nomination together with all particulars of WCTH. In the event of such nomination, the Purchaser undertakes to allot and issue the entire 350,000,000 Consideration Units to WCTH, at the sole and absolute cost and expense of GWSB and provided always that GWSB shall fully indemnify the Purchaser from and against any and all costs and expenses and liabilities thereby incurred in respect thereof.

14.3.7 Completion

- (i) Subject to the payment of the sale and purchase consideration of the Subject Properties by the Purchaser in accordance with the provisions of the SPAs, completion shall take place within 1 month from the Unconditional Date or such extended date as the Vendors and the Purchaser may mutually agree in writing ("**Completion Date**").
- (ii) On the Completion Date, in simultaneous exchange of the fulfilment or satisfaction by the Purchaser of its obligations to settle the sale and purchase consideration of the Subject Properties, vacant possession of the Subject Properties in the same state and condition as it was at the date of the SPAs (fair wear and tear excepted) shall be delivered by the Vendors to the Purchaser save and except those parts tenanted by the tenants in respect of which legal possession of the same shall be deemed to have been delivered by the Vendors to the Purchaser.
- (iii) The Vendors expressly acknowledge that, on and from the Completion Date –
 - (a) the Purchaser is the sole and absolute beneficial owner of the Subject Properties, whereupon the Purchaser shall have the full rights, title and interests in and to the Subject Properties and is entitled to deal with the Subject Properties in any manner whatsoever as if the Purchaser is the absolute legal owner of the Subject Properties thereof;
 - (b) the Vendors have no further rights, title and benefit in and to the Subject Properties and they shall hold the Subject Properties as bare trustee for and on behalf of the Purchaser pending the registration of the transfer in

favour of the Purchaser; and

- (c) in this regard, the Vendors irrevocably covenant and undertake that with effect from completion:
 - (1) the Vendors shall do or cause to be done all things to ensure that the Purchaser's rights, title and interest in and to the Subject Properties is protected at all times;
 - (2) the Vendors shall do all such acts and things in accordance with the provisions of the SPAs to enable the Purchaser to effectively deal with the legal title to the Subject Properties and to give effect to any such dealings as may be reasonably required by the Purchaser, being the sole beneficial owner of the Subject Properties;
 - (3) the Vendors shall not act in any manner so as to jeopardise the Purchaser's rights, title and interest in and to the Subject Properties;
 - (4) pending the registration of the transfer in favour of the Purchaser, the Vendors shall use their best endeavour to do such reasonable acts and execute such reasonable documents as may be necessary under the applicable laws/legislations for obtaining approvals from the appropriate authorities relating to the operation of the Subject Properties after the Vendors having received a written request from the Purchaser; and
 - (5) the Vendors shall not be entitled to and shall not deal with the Subject Properties in any manner whatsoever other than as stipulated in the SPAs.

14.3.8 Termination

(i) The Vendors' right to terminate

If the Purchaser defaults in the satisfaction of the sale and purchase consideration of the Subject Properties in accordance with the provisions of the SPAs, the Vendors will be entitled to terminate the SPAs by notice in writing to the Purchaser if the Purchaser fails within 14 days of receipt of a notice from the Vendors to remedy the breach or the matter.

(ii) Purchaser's right to terminate

The Purchaser will be entitled to, at any time after any such default arises and prior to completion, give notice to the Vendors terminating the SPAs if:

- (a) any of the warranties and representatives of the Vendors contained in the SPAs are found at any time to be untrue or incorrect;
- (b) if a receiver, receiver and manager, special administrator, trustee or similar official is appointed over any of the assets or undertaking of the Vendors;
- (c) if the Vendors enter into or resolve to enter into any arrangement, composition or compromise with, or assignment for the benefit of, their creditors or any class of them;
- (d) the Vendors fail, neglect or refuse to complete the sale in accordance with the provisions of the SPAs;

14. ADDITIONAL INFORMATION *(Cont'd)*

- (e) the Vendors fail, neglect or refuse to perform or comply with any of their obligations under the SPAs; or
- (f) the memorandum of transfer for the Subject Properties in favour of the Purchaser cannot be presented or registered for any reasons caused by or attributable to any act, default or omission of the Vendors,

and the Vendors fail within 14 days of receipt of a notice from the Purchaser to remedy the breach or the matter.

14.3.9 Capacity of the Trustee

Notwithstanding anything to the contrary contained in the SPAs and without prejudice to the provisions of the SPAs, it is expressly agreed that the Purchaser enters into the SPAs solely in its capacity as the Trustee and not in its personal capacity. Any liability arising on the part of the Purchaser (if any) under the SPAs is limited to and can be enforced against the Purchaser only to the extent to which the Purchaser can satisfy such liability out from the assets of Paradigm REIT and not out of the personal assets of the Purchaser or from any assets held by the Purchaser as trustee for any other trusts.

14.4 SALIENT TERMS OF THE ROFR

With effect from the date of completion of the Acquisitions as contemplated under the SPAs, WCTH agrees to grant a ROFR to the Trustee (on behalf of Paradigm REIT) to purchase the Relevant Assets in the event that –

- (i) WCTH or a WCTH Entity proposes to sell/dispose the Relevant Assets or any part(s) thereof. In such event, WCTH or a WCTH Entity shall notify the Trustee by way of a written notice, with a copy to the Manager, and will invite Paradigm REIT to bid for the acquisition of such Relevant Assets, along with any other parties that WCTH or a WCTH Entity may invite, at a price which is not lower than the minimum disposal price set by WCTH or a WCTH Entity for the Relevant Assets, based on an independent valuation carried out by an independent valuer appointed by WCTH or a WCTH Entity at its own cost and expense; or
- (ii) WCTH or a WCTH Entity receives any offer from a third party to purchase any part of the Relevant Assets which WCTH or a WCTH Entity is willing to consider.

The grant of the ROFR shall not be applicable in the event of an intra-group transfer of the Relevant Assets, or reconstruction, amalgamations, restructurings, mergers and analogous events involving WCTH or a WCTH Entity and shall be subject to the applicable laws, regulations and government policies.

In the event that WCTH or a WCTH Entity decides that it wishes to sell and dispose of any Relevant Assets pursuant to (i) a bid or offer made by any other bidder which is more favorable than the bid or offer made by the Trustee or the Manager for and on behalf of Paradigm REIT for the acquisition of the Relevant Assets; or (ii) any offer from third party to purchase any part of the Relevant Assets, (severally, the “**Third Party Offer**”), WCTH or a WCTH Entity shall issue a notice of offer to the Trustee, with a copy to the Manager (“**ROFR Offer**”) informing the Trustee of its intention to sell and dispose such Relevant Asset pursuant to the Third Party Offer.

The Trustee has 10 business days from the date of the Trustee’s receipt of the ROFR Offer, to match or accept the Third Party Offer, as the case may be, by delivering to WCTH or a WCTH Entity a written notification confirming its acceptance of the purchase of the Relevant Assets based on the terms and conditions of the Third Party Offer (“**Acceptance Notice**”).

14. ADDITIONAL INFORMATION (Cont'd)

In the event that the Trustee accepts the ROFR Offer within the prescribed period, WCTH or a WCTH Entity shall be obliged to give effect to the sale/disposal of the Relevant Assets to the Trustee upon the same terms and conditions as the Third Party Offer.

In the event that the Trustee fails to issue an Acceptance Notice by the expiry of the prescribed period or the Trustee confirms in writing that it rejects the ROFR Offer to purchase the Relevant Assets, whichever is earlier, then the Trustee shall be deemed to have rejected the ROFR Offer, and WCTH or a WCTH Entity shall be entitled to accept the Third Party Offer and to proceed to sell the Relevant Asset which is the subject-matter of the ROFR Offer to the relevant third party, on the same terms and conditions as those disclosed in the ROFR Offer.

The grant of the ROFR by WCTH or a WCTH Entity in favour of the Trustee to purchase the Relevant Assets shall remain effective and binding for so long as:

- (i) the Manager remains as the management company of Paradigm REIT;
- (ii) WCTH holds direct and/or indirect interest of 50.0% or more in the Manager;
- (iii) WCTH holds direct and/or indirect interest of 33.0% or more in Paradigm REIT; and
- (iv) Paradigm REIT remains listed on Bursa Securities.

14.5 CONSENTS

- (i) The written consents of the Trustee, the Principal Adviser, Sole Managing Underwriter and Joint Underwriters, Lead Bookrunner and Joint Bookrunners, the Issuing House, the Legal Adviser, the Property Manager, the company secretary of the Manager, the Registrar and the Internal Auditor to the inclusion of their names in this Prospectus in the manner and form in which such names appear in this Prospectus have been given before and issue of this Prospectus and have not subsequently been withdrawn.
- (ii) The written consent of the Reporting Accountants to the inclusion of their name in this Prospectus, their Letter on the Profit Forecast as well as the Report on the Pro Forma Statement of Financial Position of Paradigm REIT in the manner, form and context in which they appear in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.
- (iii) The written consent of the Tax Consultant to the inclusion of their name in this Prospectus and their Letter on Taxation of Paradigm REIT and Unitholders in the manner, form and context in which they appear in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.
- (iv) The written consent of the Independent Property Valuer to the inclusion of their name and the Valuation Certificates in the manner, form and context in which they appear in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.
- (v) The written consent of the Independent Property Market Researcher to the inclusion of their name and their Independent Property Market Report in the manner, form and context in which they appear in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

14.6 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Manager, for a period of 12 months from the date of this Prospectus:

14. ADDITIONAL INFORMATION (Cont'd)

- (i) this Prospectus;
- (ii) the Deed;
- (iii) the material contracts referred to in Section 14.2 “Material Contracts” of this Prospectus;
- (iv) the Valuation Certificates dated 24 October 2024 and Update Valuation Certificate dated 6 February 2025 as set out in Appendix A of this Prospectus as well as the full valuation reports as at 24 October 2024;
- (v) the Independent Property Market Report as set out in Appendix B of this Prospectus;
- (vi) the Tax Consultant’s Letter on Taxation of Paradigm REIT and Unitholders as set out in Appendix C of this Prospectus;
- (vii) the Reporting Accountants’ Report on the Pro Forma Statement of Financial Position as at its date of establishment as set out in Appendix D of this Prospectus;
- (viii) the Reporting Accountants’ Letter on the Profit Forecast as set out in Appendix E of this Prospectus;
- (ix) audited financial statements of the Manager for the FYE 2022 to the FYE 2024; and
- (x) the letters of consent referred to in Section 14.5 “Consents” of this Prospectus.

14.7 RESPONSIBILITY STATEMENTS

- (i) This Prospectus has been reviewed and approved by the Directors, the directors of the Sponsor and the directors of the Selling Subsidiary and they collectively and individually accept full responsibility for the accuracy of the information contained herein. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, there are no false and misleading statements, or omission of other facts which would make any statement in this Prospectus false or misleading. The Directors, the directors of the Sponsor and the directors of the Selling Subsidiary accept full responsibility for the Profit Forecast included in this Prospectus and confirm that the Profit Forecast has been prepared based on the assumptions made.
- (ii) The information pertaining to the Trustee and the Property Manager were provided by the management and/or directors of the Trustee and the Property Manager respectively. The responsibility of the Directors, the directors of the Sponsor and the directors of the Selling Subsidiary are therefore restricted to the accurate reproduction of such relevant information as included in this Prospectus.
- (iii) In respect of such information extracted from publicly available sources, the responsibility of the Directors, the directors of the Sponsor and the directors of the Selling Subsidiary are restricted to the accurate reproduction of such relevant information as included in this Prospectus.

VALUATION CERTIFICATES



Paradigm REIT Management Sdn Bhd
 (on behalf of RHB Trustees Berhad, as the proposed Trustee of Paradigm Real Estate Investment Trust)
 B-30-01, The Ascent, Paradigm
 No. 2, Jalan SS7/26A, Kelana Jaya
 47301 Petaling Jaya
 Selangor Darul Ehsan

Date: 24 OCT 2024

Reference No.: V/COR/24/0057(A) - (C)

Dear Sir / Madam,

VALUATION CERTIFICATE FOR THE THREE (3) RETAIL MALLS TO BE HELD BY RHB TRUSTEES BERHAD, AS THE PROPOSED TRUSTEE OF PARADIGM REAL ESTATE INVESTMENT TRUST; IDENTIFIED AS PARADIGM MALL JOHOR BAHRU, PARADIGM MALL PETALING JAYA AND BUKIT TINGGI SHOPPING CENTRE (COLLECTIVELY HEREINAFTER REFERRED TO AS THE "SUBJECT PROPERTIES")

We were instructed by Paradigm REIT Management Sdn Bhd (on behalf of RHB Trustees Berhad, as the proposed Trustee of Paradigm Real Estate Investment Trust) (hereinafter referred to as the "Client") to ascertain the Market Value of the respective legal interests in the Subject Properties listed herein.

This valuation certificate is prepared for the inclusion in the prospectus of Paradigm Real Estate Investment Trust in relation to the proposed establishment and listing of Paradigm Real Estate Investment Trust on the Main Market of Bursa Malaysia Securities Berhad.

This valuation certificate is prepared in conformity with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

This valuation certificate is prepared in accordance with the general principles adopted and limiting conditions as enclosed at the end of our formal valuation reports. For all intents and purposes, this valuation certificate should be read in conjunction with our formal valuation reports.

The basis of valuation adopted is the Market Value which is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

In arriving at our opinion of the Market Value(s) of the Subject Properties, we have adopted the Income Approach by Discounted Cash Flow Method or Income Approach by Investment Method as the primary approach supported by the Comparison Approach.

Brief details of the methodology adopted are defined overleaf.

Knight Frank Malaysia Sdn Bhd Co Reg. No. 200201017816 (585479-A)



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VALUATION CERTIFICATES (Cont'd)

**a) Income Approach by Discounted Cash Flow (DCF) Method**

In our assessment, we have carried out a DCF analysis over a ten (10)-year investment horizon for Paradigm Mall Johor Bahru and Paradigm Mall Petaling Jaya in which we have assumed that both the malls are sold at the commencement of the terminal year of the cash flow. This form of analysis allows an investor or owner to make an assessment of the long-term return that is likely to be derived from a property in such a manner as to attain the desired level of investment return to commensurate with the risk of that asset class.

In undertaking this analysis, we have used a wide range of assumptions for Paradigm Mall Johor Bahru and Paradigm Mall Petaling Jaya including the growth of gross rental revenue together with other potential receivable income along with the expected property expenses during the holding period, projected occupancy and other related expenses.

In view of the current achieved occupancy of both the malls coupled with the recovery of market conditions specifically in the retail sector, we have adopted a void allowance of 3.00% of the projected annual income as fair representation for allowance of void, unforeseen vacancies, possible rent-free periods, fitting out periods and possibility of bad debts.

b) Income Approach by Investment Method

For Bukit Tinggi Shopping Centre which is currently with a committed master lease, we have adopted Income Approach by Investment Method, which this approach involves capitalisation of the net annual income stream that is expected to be received from the property after deducting the annual outgoings and other operating expenses incidental to the property with allowance for void by using an appropriate market derived capitalisation rate.

Bukit Tinggi Shopping Centre is designed more as a regional mall with a diverse tenant mix, with AEON Co. (M) Bhd as the anchor tenant. Given the ease of re-letting the retail space currently occupied by AEON Co. (M) Bhd to new tenants, compared to other hypermarkets where majority of space is used by a single lessee, a 5.00% void is deemed fair and appropriate for the master lease to reflect rental for voids, vacancy periods between rent reviews which include the rent free, fitting out periods and possibility of bad debts.

c) Comparison Approach

This approach considers the sale of similar or substitute properties and related market data, and establishes a value estimate by processes involving comparison. In general, a property being valued is compared with sale of similar properties that have been transacted in the open market.

d) Reconciliation of Values

Taking into consideration that the Subject Properties are commercial and income generating, we have thus adopted the Market Value(s) as derived from the Income Approach by DCF Method or Investment Method as a fair representation for the Subject Properties supported by the Market Value(s) derived from the Comparison Approach.

In a valuation of a homogeneous real estate such as vacant lands and residential homes, the Comparison Approach is the most appropriate method of valuation as there are less adjustments and analysis on comparable(s). However, in the case of more complex real estate such as commercial assets (including car parking bays) and other income generating or investment properties, qualitative and quantitative adjustments are more difficult to be computed or gauged to reflect the differences of the comparable(s) and the property being valued. Therefore, we have considered the Income Approach by DCF Method or Investment Method as the preferred method of valuation in our opinion of Market Value(s) for the Subject Properties.

VALUATION CERTIFICATES (Cont'd)



Ringkasan Hartanah Subjek adalah seperti yang dilampirkan di bawah.

No.	No. Rujukan	Pengenalpastian Hartanah	Nilai Pasaran
1.	V/COR/24/0057(A)/lky	Paradigm Mall Johor Bahru, Johor Darul Takzim	RM1,157,000,000
2.	V/COR/24/0057(B)/wyt	Paradigm Mall Petaling Jaya, Selangor Darul Ehsan	RM600,000,000
3.	V/COR/24/0057(C)/lky	Bukit Tinggi Shopping Centre, Bandar Bukit Tinggi 2, Selangor Darul Ehsan	RM680,000,000
Jumlah Nilai Pasaran			RM2,437,000,000

Untuk dan bagi pihak
KNIGHT FRANK MALAYSIA SDN BHD
(ditandatangani dan disahkan oleh)



OOI HSIEN YU
Penilai Berdaftar V-6980
MRICS, MRISM, FPEPS, MMIPFM

Tanakh: 24 OCT 2024

Nota-nota: -

- Sila ambil maklum bahawa sijil ini hanya sah dengan syarat bahawa tandatangan penandatangan kami yang diberi kuasa dan melerai rasmi telah disertakan di sini.
- Penilaian di atas disemak oleh Knight Frank Malaysia Sdn Bhd (Ibu Pejabat), En. Justin Chee Ting Hwang (Penilai Berdaftar, V-774).

Salinan sijil yang ditandatangani ini telah disediakan dalam versi Bahasa Inggeris dan Bahasa Malaysia. Sekiranya terdapat sebarang percanggahan di antaranya, versi Bahasa Inggeris akan diguna sebagai versi yang sah.

VALUATION CERTIFICATES (Cont'd)



1.0 VICOR/24/0057(A) – PARADIGM MALL JOHOR BAHRU

1.1 IDENTIFICATION OF PROPERTY

Interest Valued / Type of Property	Legal interest in a retail mall comprising six (6) retail levels with a mezzanine floor and a level of cinema and convention centre along with basement and elevated car park levels known as Paradigm Mall Johor Bahru, comprising relevant areas and components forming parcel + accessory parcels appurtenant thereto together with all fixtures, fittings and equipment + systems affixed and installed thereto; forming part of the commercial integrated development of Paradigm Johor Bahru; held under Strata Title No. Geran 413471/M1/B1/1; sited on Parent Lot 32665, Mukim Tebrau, District of Johor Bahru, Johor Darul Takzim.
Name and Address	Paradigm Mall Johor Bahru, Lot 32665, Jalan Mewah Ria 2, Taman Bukit Mewah, 81200 Johor Bahru, Johor Darul Takzim.
Locality	Strategically located within Taman Bukit Mewah, which is sited along north-eastern (right) side of the Skudai Highway, travelling from Johor Bahru City Centre towards Skudai. Geographically, the Johor Bahru City Centre is situated approximately 17 kilometres due south-east of the Subject Property.
Title Particulars	The following table outlines the strata title particulars of Paradigm Mall Johor Bahru:

Summary of Strata Title Particulars

Strata Title No.	Geran 413471/M1/B1/1, Parcel No. 1, Storey No. B1, Building No. M1, together with Accessory Parcel No(s). A1-A10 (inclusive), A12, A29, A33-A35 (inclusive), A47-A56 (inclusive), A62, A63, A65-A78 (inclusive), A84-A86 (inclusive), A89-A97 (inclusive), A103, A104, A107-A115 (inclusive), A121, A122, A125-A133 (inclusive), A139, A140, A143-A152 (inclusive), A158, A159, A162-A168 (inclusive), A171-A173 (inclusive), A217-A220 (inclusive), A319, A526-A529 (inclusive), A531, A532, A538-A540 (inclusive), A546, A552, A553, A555-A559 (inclusive), A574-A589 (inclusive), A591 and A596, sited on Parent Lot 32665, Mukim Tebrau, District of Johor Bahru, Johor Darul Takzim.
Combined Share Unit	375,372 / 429,774.
Tenure	Interest in perpetuity.
Parcel Rent	-.
Registered Proprietor	WCT Hartanah Jaya Sdn Bhd.
Express Condition	i) "Tanah yang terkandung di dalam hakmilik ini hendaklah digunakan untuk bangunan Hotel, Service Apartment dan Kompleks Perniagaan jenis kekal, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan". ii) "Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan ke tempat-tempat yang ditentukan oleh Pihak Berkuasa Tempatan yang berkenaan".

VALUATION CERTIFICATES (Cont'd)



1.1 IDENTIFICATION OF PROPERTY (CONT'D)

Title Particulars (Cont'd)

Summary of Strata Title Particulars (Cont'd)

Express Condition (cont'd)	iii) "Segala dasar dan syarat yang ditetapkan dan dikuatkuasa dari semasa ke semasa oleh Pihak Berkuasa berkenaan hendaklah dipatuhi".
Restriction-In-Interest	i) "Tuanpunya tanah tidak dibenarkan menjualkan unit-unit (parcel) bangunan yang akan dibina di atas tanah ini melainkan bangunan telah mula dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan". ii) "Hakmilik tanah ini apabila dipecahkan kepada hakmilik 'subsidiary' pecahan hakmilik 'subsidiary' tersebut apabila sahaja bertukar hakmilik kepada seorang Bumiputera / Syarikat Bumiputera maka tidak boleh terkemudian daripada itu dijual, dipajak, digadai atau dipindahmilik dengan apa cara sekalipun kepada orang yang bukan Bumiputera / bukan Syarikat Bumiputera tanpa persetujuan Pihak Berkuasa Negeri".
Encumbrance ⁽¹⁾	Nil.

⁽¹⁾ Note: We were made to understand by the registered proprietor, WCT Hartanah Jaya Sdn Bhd that a charge to RHB Islamic Bank Berhad vide Presentation No. 107727/2014 registered on 21 December 2014 was previously uplifted to facilitate their application for subdivision of the Parent Lot 32665 for the issuance of strata title for Paradigm Johor Bahru. The strata title for Paradigm Mall Johor Bahru was subsequently issued on 9 May 2024. WCT Hartanah Jaya Sdn Bhd and RHB Islamic Bank Berhad are currently in the midst of finalising and executing the relevant charge documents to register the charge against the strata title in respect of Paradigm Mall Johor Bahru in favour of RHB Islamic Bank Berhad.

1.2 PROPERTY DESCRIPTION

Overview

Paradigm Mall Johor Bahru, which is sited on a 12.38-acre parent lot, spans across multi-storey retail floors, providing a vibrant mix of well-known retail brands from amazing dining delights to great entertainment pleasure, trendy fashion highlight and exciting promotions to the shoppers. Furthermore, the mall also features a convention centre known as Paradigm Mall Convention Centre for events, fairs, exhibitions and banquet facilities. A flyover for light vehicles entering into and exiting from Paradigm Mall Johor Bahru as well as for public vehicles (limited to light vehicles only) along Jalan Skudai to make u-turns at the flyover is connected to Paradigm Mall Johor Bahru.

Building Description

General Building Description

Structures	Reinforced concrete frame with brick infills rendered externally and plastered internally.
Roofs	Reinforced concrete flat roof and partly laid with metal deck roofing.
Façade	Cement plaster finished with weather-resistant emulsion paint and metal cladding sheets.
Ceilings	Plaster ceiling incorporating downlights, cement plaster and ceiling boards incorporating recessed lightings.
Wall Finishes	Plastered brickwalls, gypsum boards, ceramic tiles and fixed glass panels.
Floor Finishes	Porcelain tiles, homogenous tiles, ceramic tiles and cement screed.
Doors	Automated sliding glass doors, fire-rated timber doors, flushed timber incorporating glass panels, flushed timber doors and metal roller shutters.

VALUATION CERTIFICATES (Cont'd)



1.2 PROPERTY DESCRIPTION (CONT'D)

Strata Floor Area	Area	Square Metres ("sq. m.")	Square Feet ("sq. ft.")
	Main Parcel Area	187,986	2,023,465
	Accessory Parcel Area	149,316	1,607,224
	Total Strata Floor Area	337,302	3,630,689

Net Lettable Area ("NLA") 119,953.16 sq. m. (1,291,165 sq. ft.).

Note: The aforementioned NLA is exclusive of convention centre.

Car Park Facilities About 3,370 bays, spreading across basement and elevated car park levels.

Age of Building Approximately seven (7) years old from the issuance dates of the Certificate of Completion and Compliance ("CCC").

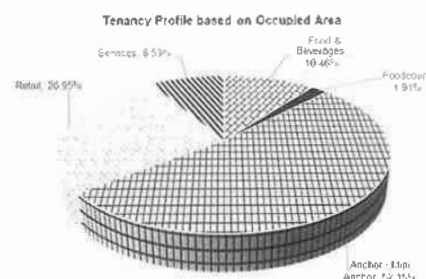
State of Repair Appears to be in good condition that commensurate with its age and use.

Occupancy Rate Approximately 98.24% based on committed and / or commenced tenancies.

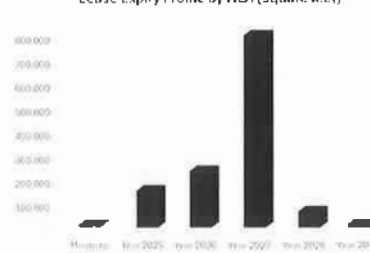
Planning Designated for commercial use as expressly stipulated in the strata title document; and was issued with two (2) CCC issued by Ar. Selamat bin Mohamed Lahir (A/S 101) registered under Lembaga Arkitek Malaysia.

Building Component	CCC
Phase 1 – retail mall and car park levels	Certificate No. LAM / J / No. 0545 dated 10 October 2017
Phase 2 – sixteen (16) cinema spaces	Certificate No. LAM / J / No. 0576 dated 17 December 2017

Tenancy Profile & Lease Expiring Profile The tenancies committed in Paradigm Mall Johor Bahru are either short term (month-to-month, 6 to 9-month), one (1), two (2) to three (3)-year tenancy terms with option(s) to renew thereafter except for the Escape Challenge which has a 12-year lease term. The current weighted average lease expiry ("WALE") is at 2.14 years and the percentage (%) of Gross Sales Turnover ("GTO") rent ranges from 1.50% to 30.00% subject to the tenant's sector / trade.



Lease Expiry Profile by NLA (square feet)



Date of Valuation 18 June 2024.

Valuation Methodology In arriving at our opinion of the Market Value of the Subject Property, we have adopted the **Income Approach** by **DCF Method** as the primary approach and supported by the **Comparison Approach**.

VALUATION CERTIFICATES (Cont'd)



1.3 MARKET VALUE

Historical Performance

Historical Operating Performance of Paradigm Mall Johor Bahru for Financial Year(s) Ended (FYE) 2021, 2022, 2023 and January 2024 – May 2024

	Jan – Dec 2021	Jan – Dec 2022	Jan – Dec 2023	Jan – May 2024
Average NLA	1,286,754 sq. ft.	1,287,631 sq. ft.	1,285,465 sq. ft.	1,282,352 sq. ft.
Average Occupancy (based on business commenced)	84.45%	85.92%	90.03%	95.48%
Average Occupancy (based on committed and / or commenced tenancy)	87.50%	87.90%	93.76%	96.78%
Total Gross Income ⁽¹⁾	RM52,053,750	RM73,441,947	RM90,682,085	RM44,325,434
Total Outgoings ⁽²⁾	RM29,958,392	RM28,684,710	RM41,561,136	RM18,967,709
Net Property Income	RM22,095,359	RM44,757,237	RM49,120,949	RM25,357,726

Notes:

The above historical performance also incorporated the Malaysian Financial Reporting Standard (MFRS) and pro forma adjustment such as property management fees, amortisation of transaction costs on financing and non-cash item such as provision of doubtful debts.

(1) Total Gross Income consists of rental income, advertising & promotion income, car park income, income receivable from convention centre, other related incomes and rental rebates.

(2) Total Outgoings include property taxes, insurance, repair and maintenance, other operating expenses as well as property management fees.

Reconciliation of Values

Method of Valuation	Derivation of Values
Income Approach by DCF Method	RM1,157,000,000
Comparison Approach	RM1,169,000,000

Market Value

RM1,157,000,000.

Income Approach by DCF Method

A summary of parameters adopted in undertaking our assessment is scheduled below.

Summary of Parameters – Income Approach by DCF Method

NLA Car Parking Bays	1,291,165 sq. ft. 3,370 bays.
Projected Occupancy	Year 1: 98.85% to Year 10: 100.00%. Based on the latest Tenancy Schedule provided to us, we note that the current committed occupancy of the Paradigm Mall Johor Bahru stands at 98.24% over total NLA (excluding convention centre). The estimated occupancy rate of the other selected comparative retail malls within Kuala Lumpur, Selangor, Penang, Pahang and Melaka range from 88.1% to 99.9%. In our assessment, we have projected immediate take up for the some of the vacant lots located on Upper Ground in Year 1 (aggregate NLA of approximately 7,786 square feet) then followed with the remaining vacant lots located on Upper Ground, Basement, Level 1 and Level 2 in Year 2 (aggregate NLA of approximately 7,558 square feet) and Level 4 in Year 3 (aggregate NLA of approximately 7,240 square feet).

VALUATION CERTIFICATES (Cont'd)



1.3 MARKET VALUE (CONT'D)

Income Approach by
DCF Method (Cont'd)

Summary of Parameters – Income Approach by DCF Method (Cont'd)

**Projected Gross Rental
Revenue**(projected revenue generated
from retail lots and kiosks)

Year 1: RM5.44 per square foot ("psf") to Year 10: RM8.22 psf; over prevailing occupied NLA.

The actual average concluded gross rental rate (base rental + service charge + promotion charge) currently stands at approximately RM5.27 psf per month over the occupied NLA. We have been further informed by WCT Hartanah Jaya Sdn Bhd that the monthly service charge is revised from RM1.80 psf to RM2.30 psf for selected tenants, effective from 1 June 2024. In arriving at the projected fair rental of the retail lots, we have benchmarked against the existing committed gross rental of the unit itself and the neighbouring lots within the Subject Property as well as the estimated gross revenue of the selected comparative retail malls within Kuala Lumpur, Selangor, Penang, Pahang, Melaka and Johor (ranging from RM5.59 psf to RM19.60 psf). We have also made reference to the approximate rental range of other selected comparative retail malls within Johor Bahru.

Growth of gross rental represents a nine (9)-year compounded annual growth rate (CAGR) of 3.33% over the course of the holding period; which we deemed fair after having considered the current market condition coupled with the historical growth trend of gross revenue of other selected retail malls (6-year / 10-year CAGR of about 2.54% to 4.66% during period of year 2013 to 2023). In view of the current average concluded gross rental rate with revision of service charge for selected tenants, we have adopted the average fair market rental of RM5.44 psf for retail lots + kiosks at an estimated occupancy of 98.85% (Year 1).

Our investigation has further revealed that there is no historical rent rebate provision to all tenants (saved for the period during the pandemic of COVID-19). Hence, we have not projected rent rebates in our assessment except for one retail unit on basement level which is entitled to an annual rent rebate of 5.6% of base rent for the remaining tenancy period.

Projected Other Income(projected revenue generated
from storage areas, push carts,
events and promotion areas,
advertising, projected rental
from convention centre, sales
turnover rent, miscellaneous
income and gas / LPG profit
sharing)

Year 1: RM1.20 psf to Year 10: RM1.41 psf over total NLA.

The average achieved revenue from other income are tabulated below.

Historical Other Income of Paradigm Mall Johor Bahru for Financial Year(s) Ended (FYE) 2022, 2023 and January 2024 – May 2024				
	Jan – Dec 2022	Jan – Dec 2023	Jan – May 2024	Jan – Dec 2024 (Annualised)
Total Other Incomes	RM10,723,559	RM14,298,269	RM8,386,192	RM20,126,861
Analysis over total NLA (RM psf / month)	RM0.59	RM0.93	RM1.31	RM1.31

The convention centre only commenced operation in Year 2022 and has yet to achieve maturity. Additionally, two (2) newly committed advertising income will commence from May / July 2024. In view of the above and coupled with the average total receivable for other income of other selected shopping malls in Johor and Klang Valley (ranging from RM0.70 psf to RM1.12 psf), we have projected a total other income of RM1.20 psf / month (about RM18,610,544) over NLA in Year 1 up to RM1.41 psf / month (about RM21,921,606) in Year 10 as fair and adequate.

**Projected Gross Car Park
Income**

Year 1: RM215 per bay / month to Year 10: RM289 per bay / month.

We have generally made reference to the existing car parking rates as well as the current average receivable revenue of other car parking bays of other selected retail malls located within Klang Valley ranging from RM208 per bay / month to RM320 per bay / month. In view of the above, the car park revenue are projected at the expected gross collectable income by the starting at about RM215 per bay / month at Year 1 with projected nine (9)-year CAGR of 3.33%.

VALUATION CERTIFICATES (Cont'd)



1.3 MARKET VALUE (CONT'D)

Income Approach by
DCF Method (Cont'd)

Summary of Parameters – Income Approach by DCF Method (Cont'd)

Projected Outgoings	Year 1: RM3.10 psf to Year 10: RM3.97 psf. We have primarily relied upon the historical outgoings of the retail mall which is analysed to be RM1.98 psf in Year 2021, RM2.38 psf in Year 2022, RM2.99 psf in Year 2023 and RM3.24 psf from the period of January 2024 to May 2024. In arriving at the fair projected outgoings, we have further benchmarked against current outgoings of other selected comparative retail malls in Kuala Lumpur, Selangor, Johor, Penang, Pahang and Melaka ranges between RM2.17 psf to RM4.37 psf. In view of the above, we have adopted an estimated outgoings of about RM3.10 psf / month over NLA as fair for Year 1 and allowed the provisional expenses to increase at an underlying rate of inflation of about 2.5% from Year 1 to Year 5 and 3.0% in Year 6 onwards as fair and adequate.
Void Allowance	3.00%. The detailed justification is set out in Item (a) of Page 2 in this Valuation Certificate.
Terminal Yield / Capitalisation Rate	6.25%. We have noted that the historical transacted yields of shopping malls in Kuala Lumpur / Kedah / Johor are in the region of about 5.20% to 8.20%. In view of limited recorded yield transactions of retail mall in the current market condition and it is not possible to identify exactly alike properties to benchmark and / or reference to, we have thus adopted a yield of 6.25% as the most probable expected rate of return as fair after having considered factors, amongst others, relating to the tenure, establishment of the mall and prevailing market condition.
Discount Rate (Present Value)	8.50%. Our interpretation of discount rate is based on our perceived risk versus the return required, looking at the rates of return of similar asset classes. The anticipated risk perception involved, amongst others, include factors relating to perceived risk of market uncertainty and lack of liquidity associated with the property (typically relates to extra return demanded by market participants in an investment above the risk-free rate). A discount rate of 8.50% is adopted for the Subject Property; which is usually about 2.00% to 2.50% higher than the expected rate of return. The discount rate is usually higher than the long-term capitalisation rate to reflect the additional risk premium of the asset.
Discount Period	10 years.

Summary of Projected Occupancy and Gross Revenue

Year	Retail Mall		Car Parking Bay
	Projected Occupancy	Projected Monthly Gross Revenue (per month over prevailing occupied NLA) (including retail revenue and other incomes)	Projected Monthly Gross Revenue
Y1	98.85%	RM6.65 psf	RM215 per bay
Y2	99.44%	RM6.87 psf	RM220 per bay
Y3	100.00%	RM7.15 psf	RM227 per bay
Y4	100.00%	RM7.82 psf	RM234 per bay
Y5	100.00%	RM7.99 psf	RM241 per bay
Y6	100.00%	RM8.20 psf	RM249 per bay
Y7	100.00%	RM8.63 psf	RM258 per bay
Y8	100.00%	RM8.81 psf	RM267 per bay
Y9	100.00%	RM9.09 psf	RM278 per bay
Y10 / Terminal	100.00%	RM9.63 psf	RM289 per bay

VALUATION CERTIFICATES (Cont'd)



1.3 MARKET VALUE (CONT'D)

Yield Analysis

The yields of individual retail mall are dependent on many factors including locations, tenant mix, catchment population, occupancy rate and the size of the malls. From our findings, we have noted that the historical transacted yields of shopping malls in Kuala Lumpur / Kedah / Johor are in the region of about 5.20% to 8.20%.

Yield Analysis of Retail Mall Assets Located Within Kuala Lumpur, Kedah and Johor

	Pavilion Bukit Jalil	Aman Central Mall	KIP Mart Tampoi	Mid Valley Megamall	Pavilion Kuala Lumpur Mall
Location	Bandar Bukit Jalil, Kuala Lumpur	Kampung Lubok Peringgi, Alor Setar, Kedah	Taman Tampoi Indah, Johor Bahru, Johor	Mid Valley City, Kuala Lumpur	Jalan Bukit Bintang, Kuala Lumpur
Tenure	Interest in perpetuity	Interest in perpetuity	Leasehold Interest	Leasehold Interest	Leasehold Interest
Approximate GFA	1,822,041 sq. ft.	793,905 sq. ft.	163,669 sq. ft.	1,718,951 sq. ft.	1,335,119 sq. ft.
Consideration	RM2,200,000,000	RM750,000,000	RM150,043,000	RM3,440,000,000	RM3,190,300,000
Estimated Annual Net Income	RM146,000,000 ⁽¹⁾	RM39,000,000 ⁽²⁾	RM12,297,000	RM205,577,304 ⁽³⁾	RM203,326,000 ⁽⁴⁾
Year of Transaction	2022	2021	2016	2012	2011
Analysed Yield	6.64%	5.20%	8.20%	5.98%	6.37%
Source	Bursa Malaysia Securities Berhad ("BURSA") / Circular dated 7 March 2023	Jabatan Penilaian dan Perkhidmatan Harta ("JPPH") / Knight Frank Research	BURSA / Prospectus dated 30 December 2016	BURSA / Circular dated 27 August 2012	BURSA / Prospectus dated 14 November 2011
Adjustments	-	-	General adjustment is made for prevailing market condition, maturity of mall and tenure	General adjustment is made for prevailing market condition, maturity of mall and tenure	General adjustment is made for prevailing market condition, maturity of mall and tenure
Adjusted Yield	6.64%	5.20%	7.45%	5.73%	6.12%
Adjusted Average Yield	6.23% (Adopt: 6.25%)				

Notes:

- (1) Based on the targeted NPI of RM146,000,000.
- (2) Based on the NPI of close to RM39,000,000 in 2020 as extracted from RAM Rating Services Berhad's credit rating and assessment published on 12 May 2021.
- (3) Annualised net property income (NPI) amounting RM57,499,000 for period 20 September 2012 - 31 December 2012.
- (4) Based on NPI for financial year of 2010.

VALUATION CERTIFICATES (Cont'd)



1.3 MARKET VALUE (CONT'D)

Comparison Approach The adjustments made for the selected sales evidences of retail mall are summarised in the table below.

Sales Comparison and Analysis of Retail Mall Transactions			
	Comparable 1	Comparable 2	Comparable 3
Name and Address	Pavilion Bukit Jalil, No. 2, Persiaran Jalil 8, Bandar Bukit Jalil, 57000 Kuala Lumpur	Queensbay Mall, No. 100, Persiaran Bayan Indah, 11900 Bayan Lepas, Pulau Pinang	Komtar JBCC, Johor Bahru City Centre, Jalan Wong Ah Fook, 80000 Johor Bahru, Johor Darul Takzim
Legal Description	Parent Lot 101899 held under Master Title No. Geran 79550, Mukim Petaling, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	433 strata parcels with accessory parcels, situated on lower ground, lower mezzanine, ground, 1st, 2nd, 3rd, 4th, 5th, 6th, 7th and 8th floors; and 5 strata parcels situated on 1st and 2nd floors; together forming part of a free-standing 8-storey shopping centre with a lower ground floor and a lower mezzanine comprising 5 floors of retail space and car parks known as Queensbay Mall, Mukim 12, District of Barat Daya, State of Pulau Pinang	Parent Lot 14530 held under Master Title No. Geran 44587, Town and District of Johor Bahru, Johor Darul Takzim
Type of Property	A block of retail mall with 5 levels of retail space and two levels of basement parking (4,800 car parking bays)	A total of 438 strata parcels with accessory parcels forming part of Queensbay Mall, a 8-storey retail mall with a lower ground and lower ground mezzanine	A four (4)-level retail mall with 1,187 car parking bays
Tenure	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Age	Approximately 1 year	Approximately 16 years	Approximately 1 years
Net Lettable Area	169,273.15 sq. m. (1,822,041 sq. ft.)	82,043.70 sq. m. (883,111 sq. ft.)	37,712.00 sq. m. (401,623 sq. ft.)
Consideration	RM2,200,000,000	RM990,500,000	RM462,000,000
Date of Transaction	22 November 2022	9 November 2022	30 September 2015
Analysis	RM12,996.74 per square metre ("per sq. m.") (RM1,207 psf)	RM12,072.83 per sq. m. (RM1,122 psf)	RM12,382.08 per sq. m. (RM1,150 psf)
Vendor	Regal Path Sdn Bhd, a 51% joint venture of Malton Berhad	Special Coral Sdn Bhd for the 433 strata parcels; Retail Galaxy Pte Ltd, Luxury Ace Sdn Bhd, Success Idea Sdn Bhd and Milky Way Properties Berhad for the 5 strata parcels	Damansara Assets Sdn Bhd.
Purchaser	MTrustee Berhad, as trustee of Pavilion Real Estate Investment Trust	MTrustee Berhad, as trustee of Capitaland Malaysia Trust	AmanahRaya Trustees Berhad, as trustee of Al-Salam Real Estate Investment Trust
Source	BURSA / Circular dated 7 March 2023	BURSA	BURSA / Circular dated 30 September 2015

VALUATION CERTIFICATES (Cont'd)



1.3 MARKET VALUE (CONT'D)

Sales Comparison and Analysis of Retail Mall Transactions			
	Comparable 1	Comparable 2	Comparable 3
Adjustments	General adjustments are made for location, floor area / parcel area / net lettable area, tenant mix / market positioning / store concept, building specification / quality / design / layout and condition / age of building	General adjustments are made for location, floor area / parcel area / net lettable area, tenant mix / market positioning / store concept, establishment of the mall, building specification / quality / design / layout and condition / age of building	General adjustments are made for prevailing market condition, location, floor area / parcel area / net lettable area, tenant mix / market positioning / store concept and condition / age of building
Adjusted Value	RM906 psf	RM897 psf	RM906 psf

Valuation Rationale

From the above adjusted values, we note that the derived values ranged between RM897 psf to RM906 psf. In view of limited recorded transactions of identical shopping malls in the immediate and surrounding localities, we have resorted to adopt the selected comparable(s) in our assessment by Comparison Approach; as it is not possible to identify exactly alike properties to make reference to, hence appropriate adjustments are made to reflect the differences of the comparable(s) and the property being valued.

Although total adjustments (in excess of 40%) were considered and made in our assessment, we are of the view that the selected comparable(s) adopted are still considered relevant as most of the selected comparable(s) are considered to have relatively similar attributes as compared to the Subject Property. With total effective adjustments made for all Comparable(s); we have placed greater reliance on Comparable 1 (being the comparable with least dissimilarities) as fair representation after having considered and made diligent adjustments for differences including but not limited to prevailing market condition, location, net lettable area, tenant mix, establishment of the mall, building specifications / quality / design and condition / age of building. Having regards to the foregoing, we have adopted the rounded value of RM1,169,000,000 as fair representation of the Market Value derived from the Comparison Approach.

VALUATION CERTIFICATES (Cont'd)



2.0 V/COR/24/0057(B) – PARADIGM MALL PETALING JAYA

2.1 IDENTIFICATION OF PROPERTY

Interest Valued / Type of Property	Legal interest in a retail mall comprising six (6) retail levels with a lower ground floor and two (2) basement car park levels along with two (2) retail levels sited below the existing Le Meridien Petaling Jaya and The Azure Residences; collectively known as Paradigm Mall Petaling Jaya, comprising relevant areas and components forming parcel + accessory parcels appurtenant thereto together with all fixtures, fittings and equipment + systems affixed and installed thereto; forming part of the commercial integrated development of Paradigm Petaling Jaya held under Strata Title No(s). PN 107088/M1/B2/1, PN 107088/M1-A/1/2 and PN 107088/M1-B/3/5; all sited on Parent Lot 72658 Seksyen 40, Bandar Petaling Jaya, District of Petaling, Selangor Darul Ehsan.
Name and Address	Paradigm Mall Petaling Jaya, No. 1, Jalan SS 7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.
Locality	Strategically located within Kelana Jaya, Petaling Jaya, which is sited off the western (left) side of the Lebuhraya Damansara – Puchong (LDP), travelling from Kelana Jaya towards Damansara Utama. Geographically the Kuala Lumpur City Centre is situated approximately 14 kilometres due north-east of the Subject Property.
Title Particulars	The following table outlines the strata title particulars of Paradigm Mall Petaling Jaya:

Strata Title No.	Building No.	Storey No.	Parcel No.	Accessory Parcel No(s).	Share Unit	Parcel Rent (per annum)
PN 107088/M1/B2/1	M1	B2	1	A23	49,370	RM313,980.00
PN 107088/M1-A/1/2	M1-A	1	2	A4 – A22 (inclusive), A24 – A39 (inclusive), A42 – A44 (inclusive), A46, A553, A555 and A557 – A560 (inclusive)	165,719	RM385,421.00
PN 107088/M1-B/3/5	M1-B	3	5	A47 and A49	3,656	RM8,668.00

The following particulars are common to the above strata titles unless otherwise stated:-

Summary of Strata Title Particulars	
Parent Lot No. / Town / District / State	: Lot 72658 Seksyen 40, Bandar Petaling Jaya, District of Petaling, Selangor Darul Ehsan.
Combined Share Unit	: 218,745 / 390,131.
Tenure	: Leasehold interest for a term of 99 years, expiring 9 February 2111.
Registered Proprietor	: Jelas Puri Sdn. Bhd.
Category of Land Use of Parent Lot	: "Bangunan".

VALUATION CERTIFICATES (Cont'd)



2.2 PROPERTY DESCRIPTION

Summary of Strata Title Particulars (Cont'd)

Express Condition	: "Perniagaan".
Restriction-In-Interest	: "Tanah ini boleh dipindahmilik, dipajak atau digadai setelah mendapat kebenaran Pihak Berkuasa Negeri".
Encumbrance	: ➤ Charged to Malaysian Trustees Berhad vide Presentation No. 00SC111888/2023 registered on 15 November 2023; in respect of Strata Title No(s). PN 107088/M1-B/2/1 and PN 107088/M1-B/3/5; and ➤ Charged to Malaysian Trustees Berhad vide Presentation No. 002SC99428/2023 registered on 17 October 2023; in respect of Strata Title No. PN 107088/M1-A/1/2.

Overview

Paradigm Mall Petaling Jaya spans across multi-storey retail floors, providing a vibrant mix of well-known retail brands from amazing dining delights to great entertainment pleasure, trendy fashion highlight and exciting promotions to the shoppers. Taking advantages of its multi-tiered frontages, the mall provides multiple entrances, which facing the main road of LDP whilst others facing Jalan SS 7/26A, providing ease of access for the crowds to access Paradigm Mall Petaling Jaya, as well as The Ascent and Le Meridien Petaling Jaya. The LED advertising panel installed along the façade has also enhanced the advertising opportunities for the mall.

Building Description

General Building Description

Structures	: Reinforced concrete frame with brick infills rendered externally and plastered internally.
Roofs	: Reinforced concrete flat roof and partly laid with metal deck roofing.
Façade	: Plastered brick walls clad with aluminium panels.
Ceilings	: Plastered ceiling incorporating downlights, timber strip ceiling, cement plaster and suspended ceiling boards.
Wall Finishes	: Plastered brickwalls, cement plaster, homogeneous tiles, gypsum boards, fixed glass panel and ceramic tiles.
Floor Finishes	: Ceramic / homogeneous tiles, cement screed, timber strips, carpet and turf flooring.
Doors	: Sliding aluminium framed glass doors, frameless glass door, fire-rated timber doors, flushed timber incorporating glass panels, flushed timber doors and metal roller shutters.

Note: As of the date of inspection, we note that a permanent retail lot (measuring about 1,772 sq ft) has been converted from motorcycle / car parking bays and car park circulation areas in Basement 1 (of which we were made to understand by Jelas Puri Sdn Bhd that necessary application for approval will be submitted to the relevant authority for the aforesaid improvement and thereafter will be issued with a Certificate of Completion and Compliance). We further note that a temporary retail lot / kiosk (measuring about 280 sq ft) has been converted from common area on Concourse (of which we were made to understand by Jelas Puri Sdn Bhd that the aforesaid improvement does not require any application for approval to be submitted to the relevant authority). For the purpose of this valuation, we have excluded the abovementioned area(s) in our valuation.

VALUATION CERTIFICATES (Cont'd)



2.2 PROPERTY DESCRIPTION (CONT'D)

Strata Floor Area

Strata Title No.	Main Parcel Area		Accessory Parcel Area		Total Strata Floor Area	
	(sq. m.)	(sq. ft.)	(sq. m.)	(sq. ft.)	(sq. m.)	(sq. ft.)
Strata Title No. PN 107088/M1/B2/1	94,910	1,021,603	34	366	94,944	1,021,969
Strata Title No. PN 107088/M1-A/1/2	100,957	1,086,692	15,590	167,809	116,547	1,254,501
Strata Title No. PN 107088/M1-B/3/5	2,482	26,716	139	1,496	2,621	28,212
Total	198,349	2,135,011	15,763	169,671	214,112	2,304,682

NLA

63,190.47 sq. m. (680,177 sq. ft.).

Note: Excluding retail lot / kiosk converted from common area on basement and concourse floors.

Car Park Facilities

About 2,343 bays, spreading across Lower Ground Mezzanine to Basement 2.

Age of Building

Approximately twelve (12) years old from the issuance date of the CCC.

State of Repair

Appears to be in good condition that commensurate with its age and use.

Occupancy Rate

Approximately 97.69% based on committed and / or commenced tenancies.

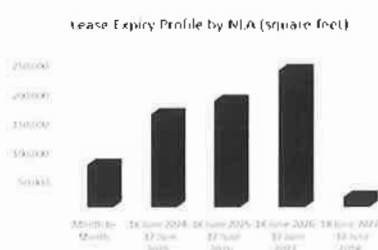
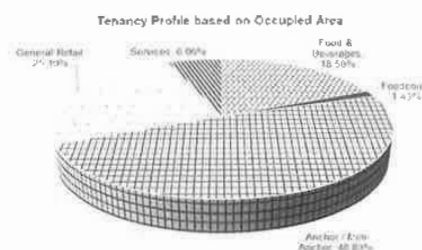
Planning

Designated for commercial use as expressly stipulated in the strata title documents; and was issued with two (2) CCC by Ar. Hud Abu Bakar (A/H 67) registered under Lembaga Arkitek Malaysia.

Building Component	CCC
Six (6) retail levels with a lower ground floor and two (2) basement car park levels along with two (2) retail levels	Certificate No. LAM / S / No. 7549 dated 18 May 2012
Two (2) retail levels	Certificate No. LAM / S / No. 0356 dated 17 August 2012

Tenancy Profile & Lease Expiring Profile

The tenancies committed in Paradigm Mall Petaling Jaya are either one (1), two (2) to three (3)-year tenancy terms with option(s) to renew thereafter; subject to the terms and condition stipulated in the tenancy agreement. The current WALE is at 1.52 years and the percentage (%) of GTO rent ranges from 1.00% to 18.00% subject to the tenant's sector / trade.



VALUATION CERTIFICATES (Cont'd)



2.3 MARKET VALUE

Date of Valuation 18 June 2024.

Valuation Methodology In arriving at our opinion of the Market Value of the Subject Property, we have adopted the **Income Approach by DCF Method** as the primary approach and supported by the **Comparison Approach**.

Historical Performance

Historical Operating Performance of Paradigm Mall Petaling Jaya for Financial Year(s) Ended (FYE) 2021, 2022, 2023 and January 2024 – May 2024

	Jan – Dec 2021	Jan – Dec 2022	Jan – Dec 2023	Jan – May 2024
Average Net Lettable Area	672,658 sq. ft.	674,340 sq. ft.	672,305 sq. ft.	674,681 sq. ft.
Average Occupancy (based on business commenced)	94.26%	94.91%	96.13%	97.06%
Average Occupancy (based on committed and / or commenced tenancy)	97.39%	97.15%	97.05%	97.75%
Total Gross Income ⁽¹⁾	RM43,114,292	RM45,910,781	RM55,323,062	RM24,240,622
Total Outgoings ⁽²⁾	RM23,693,796	RM19,254,770	RM23,826,605	RM10,094,554
Net Property Income ⁽³⁾	RM19,420,496	RM26,656,012	RM31,496,457	RM14,146,068

Notes:

The above historical performance also incorporated the Malaysian Financial Reporting Standards (MFRS) and pro forma adjustment such as property management fees, foodcourt income and expenses, amortisation of transaction costs on financing and non-cash item such as provision for doubtful debts.

(1) Total Gross Income consists of rental income, advertising & promotion income, car park income, other related incomes and rental rebates.

(2) Total Outgoings consists of operating expenses, property taxes, insurance, repair and maintenance, other operating expenses as well as property management fee.

(3) The total summation may not be able to be reconciled due to rounding.

Reconciliation of Values

Method of Valuation	Derivation of Values
Income Approach by DCF Method	RM600,000,000
Comparison Approach	RM603,000,000

Market Value RM600,000,000.

VALUATION CERTIFICATES (Cont'd)



2.3 MARKET VALUE (CONT'D)

Income Approach by
DCF Method

A summary of parameters adopted in undertaking our assessment is scheduled below.

Summary of Parameters – Income Approach by DCF Method

NLA Car Parking Bays	680,177 sq. ft. 2,343 bays.																				
Projected Occupancy	Year 1: 98.09% to Year 10: 100.00%. Based on the latest Tenancy Schedule provided to us, we note that the current committed occupancy of the Paradigm Mall Petaling Jaya stands at 97.69% over NLA. The estimated occupancy rate of the other selected comparative retail malls within Klang Valley range from 74.3% to 92.0%. In our assessment, we have projected immediate take up for the vacant lots located on Lower Ground, Concourse, Ground Floor and Upper Ground Floor in Year 1 (aggregate NLA of approximately 2,692 square feet) then followed with vacant lots located on Level 1 in Year 2 (aggregate NLA of approximately 4,673 square feet) and Level 2 in Year 3 (aggregate NLA of approximately 8,332 square feet).																				
Projected Gross Rental Revenue (projected revenue generated from retail lots and kiosks)	Year 1: RM5.97 psf to Year 10: RM8.86 psf; over prevailing occupied NLA. The actual average concluded gross rental rate (base rental + service charge + promotion charge) currently stands at approximately RM5.66 psf per month over the occupied NLA. We have been informed by the Jelas Puri Sdn Bhd that the monthly service charge is revised from RM1.80 psf to RM2.30 psf for selected tenants, effective from 1 September 2024. In arriving at the projected fair rental of the retail lots, we have benchmarked against the existing committed gross rental of the unit itself and the neighbouring lots within the Subject Property as well as the estimated gross revenue of the selected comparative retail malls within Klang Valley (ranging from RM5.89 psf to RM8.10 psf). We have also made reference to the approximate rental range of other selected comparative retail malls within Klang Valley. Growth of gross rental represents a nine (9)-year compounded annual growth rate (CAGR) of 3.39% over the course of the holding period; which we deemed fair after having considered the current market condition coupled with the historical growth trend of gross revenue of other selected retail malls (7-year / 10-year CAGR of about 3.35% to 3.93% during the period of year 2013 / 2018 to 2023). In view of the current average concluded gross rental rate, we have adopted the average fair market rental of RM5.97 psf for retail lots + kiosks at an estimated occupancy of 98.09% (Year 1). Our investigation has further revealed that there is no historical rent rebate provision to all tenants (saved for the period during the pandemic of COVID-19). Hence, we have not projected rent rebates in our assessment.																				
Projected Other Income (projected revenue generated from storage areas, push carts events and promotion areas, advertising and sales turnover rent)	Year 1: RM0.89 psf to Year 10: RM1.00 psf over total NLA. The average achieved revenue from other income are tabulated below. <table><tr><th colspan="5">Historical Other Income of Paradigm Mall Petaling Jaya for Financial Year(s) Ended (FYE) 2022, 2023 and January 2024 – May 2024</th></tr><tr><th></th><th>Jan – Dec 2022</th><th>Jan – Dec 2023</th><th>Jan – May 2024</th><th>Jan – Dec 2024 (Annualised)</th></tr><tr><td>Total Other Incomes</td><td>RM5,646,902</td><td>RM6,026,930</td><td>RM2,999,610</td><td>RM7,199,065</td></tr><tr><td>Analysis over total NLA (RM psf / month)</td><td>RM0.70</td><td>RM0.75</td><td>RM0.89</td><td>RM0.89</td></tr></table> There are two (2) additional + newly committed advertising income will commence from June / July 2024. In view of the above coupled with the average total receivable for other income of other selected shopping malls in Klang Valley (ranging from RM0.75 psf to RM1.12 psf), we have projected a total other income of RM0.89 psf / month (about RM7,291,362) over NLA in Year 1 up to RM1.00 psf / month (about RM8,153,718) in Year 10 as fair and adequate after benchmarking with the average total receivable for other income of other selected shopping malls in Klang Valley.	Historical Other Income of Paradigm Mall Petaling Jaya for Financial Year(s) Ended (FYE) 2022, 2023 and January 2024 – May 2024						Jan – Dec 2022	Jan – Dec 2023	Jan – May 2024	Jan – Dec 2024 (Annualised)	Total Other Incomes	RM5,646,902	RM6,026,930	RM2,999,610	RM7,199,065	Analysis over total NLA (RM psf / month)	RM0.70	RM0.75	RM0.89	RM0.89
Historical Other Income of Paradigm Mall Petaling Jaya for Financial Year(s) Ended (FYE) 2022, 2023 and January 2024 – May 2024																					
	Jan – Dec 2022	Jan – Dec 2023	Jan – May 2024	Jan – Dec 2024 (Annualised)																	
Total Other Incomes	RM5,646,902	RM6,026,930	RM2,999,610	RM7,199,065																	
Analysis over total NLA (RM psf / month)	RM0.70	RM0.75	RM0.89	RM0.89																	

VALUATION CERTIFICATES (Cont'd)



2.3 MARKET VALUE (CONT'D)

Income Approach by
DCF Method (Cont'd)

Summary of Parameters – Income Approach by DCF Method (Cont'd)

Projected Gross Car Park Income	Year 1: RM252 per bay / month to Year 10: RM337 per bay / month. We have generally made reference to the existing car parking rates as well as the current average receivable revenue of other car parking bays of other selected retail malls located within Klang Valley ranging from RM208 per bay / month to RM320 per bay / month. In view of the above, the car park revenue are projected at the expected gross collectable income, starting at about RM252 per bay / month at Year 1 with projected nine (9)-year CAGR of 3.28%.
Projected Outgoings	Year 1: RM3.55 psf to Year 10: RM4.54 psf. We have primarily relied upon the historical outgoings of the retail mall which is analysed to be RM2.80 psf in Year 2021, RM3.17 psf in Year 2022, RM3.57 psf in Year 2023 and RM3.53 psf from the period of January 2024 to May 2024. In arriving at the fair projected outgoings, we have further benchmarked against current outgoings of other selected comparative retail malls in Klang Valley ranges between RM3.40 psf to RM4.16 psf. In view of the above, we have adopted an estimated outgoings of about RM3.55 psf / month over NLA as fair for Year 1 and allowed the provisional expenses to increase at an underlying rate of inflation of about 2.5% from Year 1 to Year 5 and 3.0% in Year 6 onwards as fair and adequate.
Void Allowance	3.00%. The detailed justification is set out in Item (a) of Page 2 in this Valuation Certificate.
Terminal Yield / Capitalisation Rate	6.50%. We have noted that the historical transacted yields of shopping malls in Kuala Lumpur / Selangor are in the region of about 6.11% to 6.64%. In view of limited recorded yield transactions of retail mall in the current market condition and it is not possible to identify exactly alike properties to benchmark and / or reference to, we have thus adopted a yield of 6.50% as the most probable expected rate of return as fair after having considered factors, amongst others, relating to the tenure, establishment of the mall and prevailing market condition.
Discount Rate (Present Value)	8.50%. Our interpretation of discount rate is based on our perceived risk versus the return required, looking at the rates of return of similar asset classes. The anticipated risk perception involved, amongst others, include factors relating to perceived risk of market uncertainty and lack of liquidity associated with the property (typically relates to extra return demanded by market participants in an investment above the risk-free rate). A discount rate of 8.50% is adopted for the Subject Property, which is usually about 2.00% to 2.50% higher than the expected rate of return. The discount rate is usually higher than the long-term capitalisation rate to reflect the additional risk premium of the asset.
Discount Period	10 years.

VALUATION CERTIFICATES (Cont'd)



2.3 MARKET VALUE (CONT'D)

Summary of Projected Occupancy and Gross Revenue (Cont'd)			
Year	Retail Mall		Car Parking Bay
	Projected Occupancy	Projected Monthly Gross Revenue (per month over prevailing occupied NLA) (including retail revenue and other incomes)	Projected Monthly Gross Revenue
Y1	98.09%	RM6.88 psf	RM252 per bay
Y2	98.78%	RM7.18 psf	RM260 per bay
Y3	100.00%	RM7.54 psf	RM265 per bay
Y4	100.00%	RM8.03 psf	RM273 per bay
Y5	100.00%	RM8.26 psf	RM281 per bay
Y6	100.00%	RM8.48 psf	RM291 per bay
Y7	100.00%	RM8.84 psf	RM301 per bay
Y8	100.00%	RM9.12 psf	RM312 per bay
Y9	100.00%	RM9.40 psf	RM324 per bay
Y10 / Terminal	100.00%	RM9.86 psf	RM337 per bay

Yield Analysis

The yields of individual retail mall are dependent on many factors including locations, tenant mix, catchment population, occupancy rate and the size of the malls. From our findings, we have noted that the historical transacted yields of shopping malls in Kuala Lumpur / Selangor are in the region of about 6.11% to 6.64%.

Yield Analysis of Retail Mall Assets Located Within Klang Valley			
	Pavilion Bukit Jalil	damen USJ Shopping Mall (now known as Da Men Mall)	Tropicana City Mall (now known as 3 Damansara)
Location	Bandar Bukit Jalil, Kuala Lumpur	Subang Jaya, Selangor Darul Ehsan	Petaling Jaya, Selangor Darul Ehsan
Tenure	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Approximate NLA	1,822,041 sq. ft.	420,920 sq. ft.	448,148 sq. ft. (only retail NLA)
Consideration	RM2,200,000,000	RM486,844,000	RM540,000,000
Estimated Annual Net Income	RM146,000,000 ⁽¹⁾	RM30,306,240 ⁽²⁾	RM33,000,000 ⁽³⁾
Year of Transaction	2022	2015	2015
Analysed Yield	6.64%	6.23%	6.11%
Source	BURSA / Circular dated 7 March 2023	BURSA / Announcement dated 17 September 2015 and 18 March 2016	BURSA / Circular dated 10 June 2015
Adjustments	General adjustment is made for tenure	General adjustments are made for prevailing market condition and tenure	General adjustments are made for prevailing market condition and tenure
Adjusted Yield	6.88%	6.23%	6.11%
Adjusted Average Yield	6.41% (Adopt 6.50%)		

Notes:

(1) Based on the targeted NPI of RM146,000,000.

(2) Estimated NPI after deducting the outgoings from the guaranteed rent of RM9.20 psf.

(3) The purchaser consideration includes Tropicana City Office Tower (101,245 sq ft). Forecast NPI of approximately RM16.50 million for the period ending 31 December 2015.

VALUATION CERTIFICATES (Cont'd)



2.3 MARKET VALUE (CONT'D)

Comparison Approach The adjustments made for the selected sales evidences of retail mall are summarised in the table below.

Sales Comparison and Analysis of Retail Mall Transactions				
	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name and Address	D'Pulze Shopping Centre, Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan	Pavilion Bukit Jalil, No. 2, Persiaran Jalil 8, Bandar Bukit Jalil, 57000 Kuala Lumpur	Empire Shopping Gallery (now known as NU Empire), Jalan SS16/1, SS 16, 47500 Subang Jaya, Selangor Darul Ehsan	Tropicana City Mall (now known as 3 Damansara), No. 3, Jalan SS 20/27, 47400 Petaling Jaya, Selangor Darul Ehsan
Legal Description	Strata Title No(s). Geran 267027/M1/3/4. Geran 267027/M1/B2/1 and Geran 267027/M1/B2/2 together with 82 Accessory Parcels identified as Parcel No(s). A249 - A273, A661 - A668 and A1 - A49, all erected on part of the land held under Master Lot 47594, Mukim of Dengkil, District of Sepang, Selangor Darul Ehsan	Parent Lot 101899 held under Master Title No. Geran 79550, Mukim Petaling, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Parent Lot 62011 held under Master Title No. Geran 238145, Bandar Subang Jaya, District of Petaling, Selangor Darul Ehsan	Parent Lot 45821 Seksyen 39 held under Master Title No. Geran 54431, Bandar Petaling Jaya, District of Petaling, Selangor Darul Ehsan
Type of Property	A 7-storey commercial building with 2 levels of basement with a total of 1,028 car park bays	A block of retail mall with 5 levels of retail space and two levels of basement parking (4,800 car parking bays)	A five (5)-storey retail mall together with 4 basement car park (a total of 1,414 car parks)	A four (4)-storey shopping mall and part of lower ground, Basement 1, Basement 2 and Basement 3 comprising 1,759 car parking bays
Tenure	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Age	Approximately 10 years	Approximately 1 year	Approximately 7 years	Approximately 6 years
Net Lettable Area	28,939.21 sq. m. (311,499 sq. ft.)	169,273.15 sq. m. (1,822,041 sq. ft.)	* 31,006.30 sq. m. (333,749 sq. ft.)	41,643.60 sq. m. (448,248 sq. ft.)
Consideration	RM320,000,000	RM2,200,000,000	RM571,900,000	RM472,982,143
Date of Transaction	27 May 2024	22 November 2022	19 January 2017	26 January 2015

VALUATION CERTIFICATES (Cont'd)



2.3 MARKET VALUE (CONT'D)

Sales Comparison and Analysis of Retail Mall Transactions				
	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Analysis	RM11,057.66 per sq. m. (RM1,027 psf)	RM12,996.74 per sq. m. (RM1,207 psf)	RM18,444.64 per sq. m. (RM1,714 psf)	RM11,357.86 per sq. m. (RM1,055 psf)
Vendor	DPulze Ventures Sdn Bhd	Regal Path Sdn Bhd, a 51% joint venture of Mallon Berhad	* Couture Homes Sdn Bhd	Tropicana City Sdn Bhd, a wholly-owned subsidiary of Bakat Rampai Sdn Bhd, which in turn is a wholly-owned subsidiary of Tropicana Corporation Berhad
Purchaser	Pacific Trustees Berhad, as the trustee of KIP Real Estate Investment Trust	MTrustee Berhad, as trustee of Pavilion Real Estate Investment Trust	Pelaburan Hartanah Berhad (PHB)	AmTrustee Berhad, acting solely in capacity as Trustee for CapitaMalls Malaysia Trust
Source	BURSA	BURSA / Circular dated 7 March 2023	News article dated 19 January 2017 / PHB Website / Knight Frank Research	BURSA / Circular dated 10 June 2015
Remarks	We note that Comparable 1 has yet to be concluded on the date of valuation, however, as the sales consideration is arrived at a willing buyer and willing seller basis after taking into consideration the market value ascribed by the independent registered valuer, we have thus considered Comparable 1 as a reference		* Reported NLA of the shopping mall is extracted from PHB official website. The Vendor has been granted a call option to buy back the shopping mall on the fifth anniversary of the sale. It also has the right of first refusal to buy the shopping mall should PHB decide to dispose of it within the five years	Tropicana City Mall was transacted along with Tropicana City Office Tower (or now known as 3 Damansara and 3 Damansara Office Tower) for a total consideration of RM540,000,000 (a discount of 3.57% from the valuation appraised by Henry Bulcher Malaysia Sdn Bhd). No detailed breakdown of the purchase consideration was reported; thus our analysis for the Mall + Car Park was derived based on the appraised value(s) reported at RM490,500,000 less the analysed discount granted as shown in the final consideration

VALUATION CERTIFICATES (Cont'd)



2.3 MARKET VALUE (CONT'D)

Sales Comparison and Analysis of Retail Mall Transactions

	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Adjustments	General adjustments are made for location, tenure and floor area / parcel area / net lettable area	General adjustments are made for location, tenure, floor area / parcel area / net lettable area, tenant mix / market positioning / store concept, building specifications / quality / design / layout and condition / age of building	General adjustments are made for prevailing market condition, tenure, floor area / parcel area / net lettable area, tenant mix / market positioning / store concept, establishment of the mall, building specifications / quality / design / layout and condition / age of building	General adjustments are made for prevailing market condition, tenure, floor area / parcel area / net lettable area and condition / age of building
Adjusted Value	RM873 psf	RM845 psf	RM900 psf	RM886 psf

Valuation Rationale

From the above adjusted values, we note that the derived values ranged between RM845 psf to RM900 psf. In view of limited recorded transactions of identical shopping malls in the immediate and surrounding localities, we have resorted to adopt the selected comparable(s) in our assessment by Comparison Approach; as it is not possible to identify exactly alike properties to make reference to, hence appropriate adjustments are made to reflect the differences of the comparable(s) and the property being valued.

Although total adjustments (in excess of 60%) were considered and made in our assessment, we are of the view that the selected comparable(s) adopted are still considered relevant as most of the selected comparable(s) are considered to have relatively similar attributes as compared to the Subject Property. With total effective adjustments made for all Comparable(s); we have placed greater reliance on Comparable 4 (being the comparable with least dissimilarities and sited within a similar locality) as fair representation after having considered and made diligent adjustments for differences including but not limited to prevailing market condition, tenure, floor area / parcel area / net lettable area and condition / age of building. Having regards to the foregoing, we have adopted the rounded value of RM603,000,000 as fair representation of the Market Value derived from the Comparison Approach.

VALUATION CERTIFICATES (Cont'd)



3.0 V/COR/24/0057(C) – BUKIT TINGGI SHOPPING CENTRE

3.1 IDENTIFICATION OF PROPERTY

Interest Valued / Type of Property	Legal interest in a retail mall comprising three (3) levels of retail area with a mezzanine floor and car park facilities which includes surface, basement, elevated and rooftop level(s) along with fixtures, fittings, equipment, and systems affixed and installed therein and other supporting facilities and amenities attached thereto; sited on Lot 186125 held under Title No. Geran 338914, Mukim and District of Klang, Selangor Darul Ehsan.
Name and Address	Bukit Tinggi Shopping Centre, No. 1, Persiaran Batu Nilam 1/KS 6, Bandar Bukit Tinggi 2, 41200 Klang, Selangor Darul Ehsan.
Locality	Nestled within Bandar Bukit Tinggi 2, Klang, which is sited off the northern (right) side of the Pulau Indah Highway / Shah Alam Expressway, travelling from Bukit Rimau towards Pulau Indah. Bandar Bukit Tinggi LRT station is sited directly to the south-west of the Subject Property.
Title Particulars	The following table outlines the title particulars of Bukit Tinggi Shopping Centre:

Summary of Title Particulars

Lot No. / Mukim / District / State	: Lot 186125, Mukim and District of Klang, Selangor Darul Ehsan.
Title No.	: Geran 338914.
Tenure	: Interest in perpetuity.
Land Area	: 106,400 sq. m..
Quit Rent (Land Tax)	: RM 188,754.00 per annum.
Registered Proprietor	: Gemilang Waras Sdn Bhd.
Category of Land Use	: "Bangunan".
Express Condition	: "Bangunan Perniagaan".
Restriction-in-Interest	: "Tiada".
Encumbrance	: Charged to Malaysian Trustees Berhad vide Presentation No. 001SC33606/2023, registered on 18 April 2023.
Endorsement	: "Pajakan Seluruh Tanah kepada AEON Co. (M) Bhd bagi tempoh masa selama 6 tahun mulai dari 24 November 2017 dan berakhir pada 23 November 2023" vide Presentation No. 001SC21317/2021, registered on 17 March 2021.

Notes:

- * As per the pre-computation plan bearing Plan No. 742/C/SEL/2014/DD prepared by Mega Ukur Consultant dated 5 June 2024 coupled with our observation during site inspection, we note that part of the land measuring about 17,805.17 square metres (4.35 acres) has been designated and used as service road; which will be surrendered to local authority in due course. For the purpose of this valuation, we have excluded the said portion of land and adopted the estimated net land area of about 88,794.83 square metres (21.94 acres) in our assessment as fair representation.
- ** As of the date of valuation, we note that the registered lease agreement has since expired on 23 November 2023; and subsequently a Renewed Lease Annexure has been executed between Gemilang Waras Sdn Bhd (the Lessor) and AEON Co. (M) Bhd dated 25 June 2024 for a further term of six (6) years commencing from 24 November 2023 with an option to renew for a further one (1) term of three (3) years, subject to the terms and conditions stated therein.

VALUATION CERTIFICATES (Cont'd)



3.2 PROPERTY DESCRIPTION

Building Description	General Building Description
	Structures : Reinforced concrete frame with bricks infills rendered externally and plastered internally. Roofs : Reinforced concrete flat roof concealed behind parapet walls. Façade : Cement plaster; save for part of the building which is of glass façade to allow natural light into the mall. Ceilings : Decorative plaster boards incorporating downlights. ceiling boards incorporating recessed lightings and cement plaster. Wall Finishes : Cement plaster and ceramic wall tiles. Floor Finishes : Ceramic tiles, homogeneous tiles, wall-to-wall carpet and cement screed. Doors : Automated sliding glass doors, fire-rated timber doors, flushed timber incorporating glass panels, flushed timber doors and metal roller shutters.
	Note: As of the date of inspection, we note that part of the basement car park area has been enclosed and renovated to accommodate a facility management office; with a total gross floor area of about 212 square metres (2,282 square feet), extended from the original gross floor area of about 76 square metres (818 square feet) (inclusive of the car park management office + CCTV room). We were made to understand by Gemilang Waras Sdn Bhd that the necessary application for approval will be submitted to the Klang Royal City Council for the above improvement and thereafter will be issued with a Certificate of Completion and Compliance.
Gross Floor Area (GFA) inclusive of car parking area	205,800.74 sq. m. (2,215,221 sq. ft.); in accordance with the Approved Building Plans dated 27 September 2007.
GFA exclusive of car parking area	114,453.19 sq. m. (1,231,964 sq. ft.); in accordance with the Approved Building Plans dated 27 September 2007.
Gross Lettable Area (GLA) for the Demised Premises	92,991.271 sq. m. (1,000,949.71 sq. ft.); in accordance with the Renewed Lease Annexure dated 25 June 2024.
Car Park Facilities	About 3,343 bays, spreading across between basement, elevated and surface levels. Note: We further noted that part of the car parking areas on the third-floor totalling about 229 bays is tenanted to Autoplay Group Sdn Bhd for the operation of go-kart racing activities and other go-kart related sport activities from 1 June 2024 to 31 May 2027; following the signed license agreement entered between Gemilang Waras Sdn Bhd and Autoplay Group Sdn Bhd. We were made to understand by Gemilang Waras Sdn Bhd that the necessary application for approval for conversion of part of car park area to go-kart activities will be submitted to the Klang Royal City Council and thereafter will be issued with a Certificate of Completion and Compliance. For the purpose of this valuation, we have excluded the above license agreement for go-kart in our valuation as the said approval has yet to be obtained as of the date of valuation and treated the 229 bays as normal car parking bays.
Age of Building	Approximately sixteen (16) years old from the issuance date of the Certificate of Fitness for Occupation ("CFO").
State of Repair	Appears to be in good condition that commensurate with its age and use.

VALUATION CERTIFICATES (Cont'd)

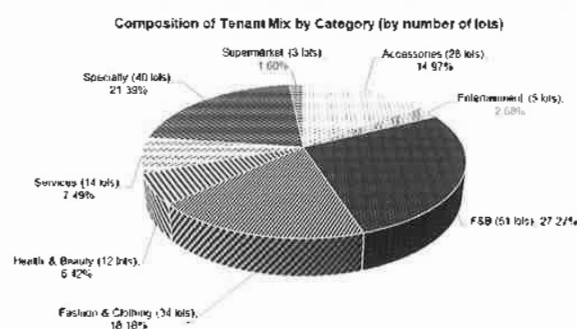


3.2 PROPERTY DESCRIPTION (CONT'D)

Occupancy Status

Component	Occupancy Status
The Demised Premises	Solely leased to AEON Co. (M) Bhd for a period of six (6) years with an option to renew for a further one (1) term of three (3) years, commencing from 24 November 2023
Car Park Facilities	Owner-operated
Ancillary Area [storage(s) + car wash + aerobus services + antenna(s)]	Tenanted to respective tenant for either 2 to 3-year tenancy term

The Lessor acknowledges that the Lessee, AEON Co. (M) Bhd shall at its sole discretion, in its operation of the retail mall, be allowed to provide specialty shops of a diverse nature, and for this purpose, expressly permits the Lessee to grants subtenancies or subleases. Based on our general observation during the site inspection, the current occupancy rate stands at about 96% (based on number of lots); with the composition of the tenant mix by category illustrated below.



Planning

Zoned for commercial use with permissible plot ratio of 1:4 and a height restriction of 29-storey; with a potential of increasing the permissible plot ratio to 1:5 due to its location within the Transit Oriented Development ("TOD") area, subject to approval from the relevant authority.

The existing building (excluding the renovations / improvements) was issued with a CFO by Klang Municipal Council (now known as Klang Royal City Council) bearing Certificate No. 2000-1158 (3000-2008) dated 24 January 2008.

3.3 MARKET VALUE

Date of Valuation

25 June 2024.

Valuation Methodology

In arriving at our opinion of the Market Value of the Subject Property, we have adopted the **Income Approach by Investment Method** as the primary approach and supported by the **Comparison Approach**.

VALUATION CERTIFICATES (Cont'd)



3.3 MARKET VALUE

Historical Performance

Historical Operating Performance of Bukit Tinggi Shopping Centre for Financial Year(s) Ended (FYE) 2021, 2022, 2023 and January 2024 – May 2024

	Jan – Dec 2021	Jan – Dec 2022	Jan – Dec 2023	Jan – May 2024
GLA (Master Lease)	1,000,949.71 sq. ft.	1,000,949.71 sq. ft.	1,000,949.71 sq. ft.	1,000,949.71 sq. ft.
Occupancy (Master Lease)	100%	100%	100%	100%
Total Gross Income ⁽¹⁾	RM40,236,185	RM42,278,484	RM44,169,596	RM19,567,964
Total Outgoings ⁽²⁾	RM7,541,998	RM8,198,780	RM8,072,696	RM3,255,997
Net Property Income ⁽³⁾	RM32,694,187	RM34,079,704	RM36,096,900	RM16,311,967

Notes:

The above historical performance also incorporated the Malaysian Financial Reporting Standard (MFRS) and pro forma adjustments such as property management fees, amortisation of transaction costs on financing and non-cash item such as provision for doubtful debts.

(1) Total Gross Income consists of rental income from master lease with AEON Co. (M) Bhd, car park income, income receivable from ancillary areas, other related incomes and rental rebates.

(2) Total Outgoings include property taxes, insurance, repair and maintenance, other operating expenses as well as property management fees.

Reconciliation of Values

Method of Valuation	Derivation of Values
Income Approach by Investment Method	RM680,000,000
Comparison Approach	RM700,000,000

Market Value

RM680,000,000.

Income Approach by
Investment Method

A summary of parameters adopted in undertaking our assessment is scheduled below.

Summary of Parameters – Income Approach by Investment Method

The Demised Premises – Master Lease Agreement

Area	GFA exclusive of car parking area: 1,231,964 sq. ft. GLA: 1,000,949.71 sq. ft.			
Gross Rental Income	Term:	Year / Period	Rental over GFA exclusive of car parking area	Rental over GLA
		Year 1 (24 Nov 2023 – 23 Nov 2024)	RM2.56 psf	RM3.15 psf
		Year 2 (24 Nov 2024 – 23 Nov 2025)	RM2.60 psf	RM3.20 psf
		Year 3 (24 Nov 2025 – 23 Nov 2026)	RM2.68 psf	RM3.30 psf

VALUATION CERTIFICATES (Cont'd)



3.3 MARKET VALUE (CONT'D)

Income Approach by
Investment Method
(Cont'd)

Summary of Parameters - Income Approach by Investment Method (Cont'd)s

The Demised Premises – Master Lease Agreement

Gross Rental Income (Cont'd)	Term (Cont'd):	Year / Period	Rental over GFA exclusive of car parking area	Rental over GLA
		Year 4 – Year 6 (24 Nov 2026 – 23 Nov 2029)	RM2.85 psf	RM3.51 psf
		The committed rental is on single net basis whereby the Lessor shall bear the outgoings on quit rent, assessment, fire insurance and structural defects whilst the Lessee shall be responsible for the upkeep and maintenance of the Demised Premises. With regards to the rent review, the monthly rent shall be increased at the commencement of Year 4 (starting from 24 November 2026) according to the prevailing market rate but not exceeding 12% of the last rent payable. Hence, we have adopted the market rent of RM2.85 psf over GFA exclusive of car parking area analysed at RM3.51 psf over GLA in Year 4 to Year 6.		
	Reversionary:	RM2.85 psf / month over GFA exclusive of car parking area analysed at RM3.51 psf / month over GLA. We have benchmarked against the market rental payable (with master lease agreement) of other selected retail mall / hypermarket assets located within Klang Valley and Melaka (rentals ranging from RM2.01 psf to RM3.02 psf over the respective floor areas on single / triple net basis) and further added the estimated property outgoings based on the respective assets' historical performance in arriving at the estimated gross rental. In our assessment, we have adopted an adjusted rental of RM2.85 psf over GFA exclusive of car parking area analysed at RM3.51 psf over GLA after having considered and made diligent adjustment for differences including but not limited to location, accessibility, market catchment, building condition / age, building design / specification, size, availability of car park facilities and car park ratio.		
Allowance of Outgoings	Term:	RM0.25 psf / month to RM0.28 psf / month over GFA exclusive of car parking area analysed at RM0.31 psf / month to RM0.34 psf / month over GLA. Based on the lease agreement, the lessor will bear quit rent, assessment, fire insurances, some structural works and replacement of specific Mechanical and Electrical (M&E) parts. Thus, we have adopted an estimated outgoing of RM0.25 psf in Year 1 to Year 3 and RM0.28 psf (about 10% increase from the existing outgoings) over GFA exclusive of car parking area in Year 4 to Year 6 as fair and adequate.		
	Reversionary:	RM0.28 psf / month over GFA exclusive of car parking area analysed at RM0.34 psf / month over GLA. We have primarily relied upon the historical outgoings of the Subject Property coupled with the historical outgoings payable by other selected comparables (with similar lease arrangement) which ranges from RM0.13 psf to RM0.21 psf in year 2018 and year 2023, we have thus allocated an estimated outgoing of RM0.28 psf over GFA exclusive of car parking area (about 10% increase from the existing outgoings) whereby the lessor will bear quit rent, assessment, fire insurances, some structural works and replacement of specific Mechanical and Electrical (M&E) parts.		

VALUATION CERTIFICATES (Cont'd)



3.3 MARKET VALUE (CONT'D)

Income Approach by
Investment Method
(Cont'd)

Summary of Parameters - Income Approach by Investment Method

Car Park Facilities + Ancillary Areas

Gross Income – Car Parking Bays	Term:	Type	Tenanted Area (sq. ft.) / Car Parking Bays		Average Gross income over prevailing tenanted areas
		Valet Parking	Along service road: 83 bays Mall main entrance: 30 bays		RM141.59 per bay per month
	Based on current passing rental receivable on contractual basis (unexpired and signed tenancies).				
	Reversionary:	3,343 bays at RM190.00 per bay / month. We have included the 30 bays (upon expiry of the license agreement for premium valet parking in front of the mall main entrance) alongside the existing 3,313 car parking bays made available within the premises. The 83 bays (currently being used as valet parking) sited along the service road (which will be surrendered to local authority in due course) is disregarded in the reversion. In arriving at the projected car park revenue, we have generally made reference to the historical car park collection and the existing car parking rates as well as the current average receivable revenue of other car parking bays of other selected retail malls located within Klang Valley ranging from RM158 per bay / month to RM239 per bay / month.			
Gross Income – Ancillary Areas	Term:	Type	No. of Units	Total Tenanted Area (sq. ft.)	Average Gross Income over prevailing tenanted areas
		Storage	4	1,341	RM5.63 psf per month
		Car Wash Area	1	1,450	RM4.48 psf per month
		Aerobus Services	1	Ticketing counter: 63 Bus bays: 2,712	RM2.34 psf per month
		Antenna	4	736	RM27.70 psf per month
	Based on current passing rental receivable on contractual basis (unexpired and signed tenancies).				
	Reversionary:	Type	No. of Units	Total Tenanted Area (sq. ft.)	Average Gross Income over prevailing tenanted areas
		Storage	7	2,929	RM4.57 psf per month
		Car Wash Area	1	1,450	RM4.48 psf per month
		Aerobus Services	1	Ticketing counter: 63 Bus bays: 2,712	RM2.34 psf per month
		Other Income (utilities recoverable from tenants)			RM100,000 / annum

VALUATION CERTIFICATES (Cont'd)



3.3 MARKET VALUE (CONT'D)

Income Approach by
Investment Method
(Cont'd)

Summary of Parameters - Income Approach by Investment Method

Car Park Facilities + Ancillary Areas (Cont'd)

Gross Income – Ancillary Areas (Cont'd)	Reversionary: (Cont'd)	The reversionary rents are based on concluded rentals / actual receivable revenue and benchmarked against the asking / concluded rentals of similar properties of other selected retail malls located within Klang Valley. For other income (utilities recoverable), we have benchmarked against the actual historical receivable recoverable income for the past three (3) years (ranges from RM100,575 per annum to RM 113,446 per annum).
Allowance of Outgoings		RM75.00 per bay / month over total car parking bays. We have primarily relied upon the historical car park outgoings of the Subject Property which are about RM84.0 per bay in Year 2022, RM70.7 per bay in Year 2023 and RM62.6 per bay from January to May 2024 coupled with the average car park expenses (ratio ranging from 15% to 30% of gross car park revenue located within other selected comparables). Thus, we have allocated an estimated outgoing of RM75.00 per bay (or about 39% of gross car park revenue) as the fair car park outgoings.

Other Common Parameters Adopted

Void Allowance (Reversionary)	5.00%. The detailed justification is set out in Item (b) of Page 2 in this Valuation Certificate.
Capitalisation Rate	Term: 5.50% – 6.00%. A range of yield adopted under Term are benchmarked against prevailing market rate and whether committed rental rates are under, over or at market rent. In respect of the master lease, adjustment of +/-25 basis point for every RM0.15 psf to RM0.20 psf differences from market rent (analysed to be about 5% variance from the market rent of RM2.85 psf over GFA exclusive car parking area RM3.51 psf over GLA) to reflect whether committed rental rates are under, over or at market rent. Reversionary 6.00% and 8.00%. We have noted that the estimated historical transacted net yields of selected retail malls within Klang Valley are in the region of about 6.11% to 6.64% whilst hypermarkets within Klang Valley and Perak are in the region of about 7.05% to 7.18%. In view of limited recorded yield transactions of retail malls or hypermarkets in the current market condition and it is not possible to identify exactly alike properties to benchmark and / or reference to, we have thus adopted an adjusted net yield of 6.00% as the most probable expected rate of return as fair after having considered factors, amongst others, relating to the prevailing market condition, catchment area, maturity of the mall, undeveloped plot ratio and bulk discount given to the hypermarket transactions.

Rental Analysis

Under the current term, we have adopted the current committed rental (on single net basis) of the unexpired lease period for 5.4 years, as extracted from the Renewed Lease Annexure made between the Lessor and the Lessee dated 25 June 2024; whilst our assessment of market rental upon reversionary period is based on the net market rental payable of other selected retail mall / hypermarket assets located within Klang Valley and Melaka.

VALUATION CERTIFICATES (Cont'd)



3.3 MARKET VALUE (CONT'D)

Rental Analysis of Retail Mall / Hypermarket Assets Located Within Klang Valley and Melaka				
	Rental Comparable 1	Rental Comparable 2	Rental Comparable 3	Rental Comparable 4
Property / Location	Giant Hypermarket Klang	Undisclosed hypermarket located within Seri Kembangan, Selangor	Undisclosed hypermarket located within Setapak, Kuala Lumpur	Undisclosed retail mall with department store within Melaka
Tenure	Interest in perpetuity	Leasehold interest	Leasehold interest	Leasehold interest
Approximate GFA exclusive car parking area	190,689 sq. ft.	172,176 sq. ft.	136,599 sq. ft.	955,861 sq. ft.
Age of Building	Approximately 21 years	Approximately 14 years	Approximately 8 years	Approximately 15 years
Current Passing Net Rental (RM psf / month over GFA)	RM2.01 psf	RM2.65 psf	RM2.82 psf	RM3.02 psf
Rental Period	For the period from 17 November 2020 to 16 November 2025 (Year 1 to Year 5)	For the period from 1 March 2020 to 28 February 2025 (Year 6 to Year 10)	For the period from 22 April 2021 to 21 April 2026 (Year 6 to Year 10)	For the period from 5 February 2022 to 4 February 2025 (Year 13 to Year 15)
Source	BURSA / Circular dated 31 May 2023	Knight Frank Research		
Estimated Outgoings	15% of Triple Net Rent	-	-	10% of Triple Net Rent
Estimated Current Gross Rental (RM psf / month over GFA)	RM2.31 psf	RM2.65 psf	RM2.82 psf	RM3.32 psf
Adjustments	General adjustments are made for accessibility, market catchment, building condition / age, building design / specification, size and car park facilities	General adjustments are made for location, accessibility, building design / specification, size, car park facilities and car park ratio	General adjustments are made for accessibility, market catchment, building condition / age, building design / specification, size and car park facilities	General adjustments are made for location, accessibility, market catchment and car park facilities
Adjusted Analysis over GFA	RM2.42 psf	RM2.92 psf	RM2.68 psf	RM2.82 psf

Rental Analysis (Cont'd)

Based on the analysis above, we note that the derived adjusted analysed rent ranged from RM2.42 psf / month to RM2.92 psf / month over GFA exclusive car parking area. In arriving at our market rent upon reversionary period, we have placed greater reliance on Rental Comparable 4 at RM2.82 psf / month over GFA exclusive of car parking area (rounded off to RM2.85 psf / month over GFA exclusive of car parking area | analysed at RM3.51 psf / month over GLA) as fair representation as it is with the least dissimilarities after having considered adjustments made for differences in location, accessibility, market catchment and car park facilities.

VALUATION CERTIFICATES (Cont'd)



3.3 MARKET VALUE (CONT'D)

Yield Analysis

The yields of retail malls / hypermarkets are dependent on many factors including catchment population, maturity of the mall and tenure. From our findings, we have noted that the historical transacted yields of selected retail malls / regional malls in Kuala Lumpur / Selangor are in the region of about 6.11% to 6.64% whilst the following retail mall with department store / hypermarkets within Klang Valley and Perak are in the region of about 7.05% to 7.18%.

Yield Analysis of Retail Mall / Hypermarket Assets Located Within Klang Valley and Perak			
	Giant Hypermarket Klang	Giant Hypermarket Cheras	AEON Mall Kinta City
Location	Bandar Bukit Tinggi, Klang, Selangor	Batu 9 Cheras, Selangor	Taman Ipoh Selatan, Ipoh, Perak
Tenure	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Approximate GFA	190,689 sq. ft.	296,799 sq. ft.	1,069,759 sq. ft.
Consideration	RM65,000,000	RM72,100,000	RM208,000,000
Estimated Annual Net Income	RM4,580,864 ⁽¹⁾	RM5,174,400 ⁽²⁾	RM14,659,139 ⁽³⁾
Year of Transaction	2023	2021	2018
Analysed Yield	7.06%	7.18%	7.05%
Source	BURSA / Circular dated 31 May 2023	JPPH / Knight Frank Research	BURSA / Circular dated 5 March 2019
Adjustments	General adjustments are made for catchment area, maturity of mall and bulk discount	General adjustments are made for prevailing market condition, catchment area and maturity of mall	General adjustments are made for catchment area, maturity of mall and bulk discount
Adjusted Yield	5.81%	5.18%	6.05%
Adjusted Average Yield	6.01% (Adopt: 6.00%)		

Notes:

- (1) The committed rental is on a triple net basis.
- (2) Based on the committed gross rental in accordance with the respective committed lease agreement, and after deducted the estimated property outgoings amounting to 30% of gross rental (computed based on the property's historical performance).
- (3) Based on the committed gross rental in accordance with the committed lease agreement, and after deducted the current property outgoings of about RM0.26 psf as extracted from the valuation certificate in the circular.

VALUATION CERTIFICATES (Cont'd)



3.3 MARKET VALUE (CONT'D)

Comparison Approach The adjustments made for the selected sales evidences of retail mall and car parking bays are summarised in the table below.

Sales Comparison and Analysis of Retail Mall Transactions			
	Comparable 1	Comparable 2	Comparable 3
Name and Address	KIPMall Kota Warisan, Jalan Warisan Sentral 3, KIP Sentral, Kota Warisan, 43900 Sepang, Selangor Darul Ehsan	Giant Hypermarket Klang, Persiaran Batu Nilam, Bandar Bukit Tinggi, 41200 Klang, Selangor Darul Ehsan	AEON Seremban 2 Shopping Centre, No. 112, Persiaran S2 B1, Seremban 2, 70300 Seremban, Negeri Sembilan
Legal Description	Lot 109945 held under Title No. GRN 336020, Mukim Dengkil, District of Sepang, Selangor Darul Ehsan	Part of Lot 83639 held under Title No. GRN 128054, Pekan Pandamaran, District of Klang, Selangor Darul Ehsan	Lots 27052 and 27071 held under Title No(s). Geran 145168 and Geran 145188 respectively, Bandar Seremban Utama, District of Seremban, Negeri Sembilan
Type of Property	A one and a half (1½)-storey retail centre comprising a single storey commercial centre with a mezzanine floor, a drive-thru fast food restaurant, a refuse chamber and a bin centre	A single-storey hypermarket / retail complex with a mezzanine floor and car parking facilities	A three (3)-storey retail mall with a mezzanine floor and elevated / open surface car park area
Tenure	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Age	Approximately 6 years	Approximately 20 years	Approximately 10 years
Estimated GFA	28,015.66 sq. m. (301,558 sq. ft.)	17,715.59 sq. m. (190,689 sq. ft.)	42,414.98 sq. m. (456,551 sq. ft.)
Consideration	RM80,000,000	RM65,000,000	RM215,000,000
Date of Transaction	16 June 2023	16 March 2023	26 April 2016
Analysis	RM2,855.55 per sq. m. (RM265 psf)	RM3,669.09 per sq. m. (RM341 psf)	RM5,068.96 per sq. m. (RM471 psf)
Vendor	Cahaya Serijaya Sdn Bhd	Kwasa Properties Sdn Bhd, a wholly owned subsidiary of Employees Provident Fund Board	Swiss Advanced Technology Institute (M) Sdn Bhd
Purchaser	Pacific Trustees Berhad, acting as the trustee for and on behalf of KIP Real Estate Investment Trust	RHB Trustees Berhad, as the trustee of Sunway Real Estate Investment Trust	Jambatan Manseibashi (M) Sdn Bhd
Source	BURSA / Circular dated 5 September 2023	BURSA / Circular dated 31 May 2023	JPPH / Tokyo Stock Exchange / Knight Frank Research
Adjustments	General adjustments are made for location, accessibility, size, tenant mix / market positioning / store concept, building specifications / quality / design / layout, undeveloped plot ratio and condition / age of building	General adjustments are made for accessibility, catchment area, size, tenant mix / market positioning / store concept and building specifications / quality / design / layout, condition / age of building and bulk discount	General adjustments are made for prevailing market condition, location, accessibility, catchment area, size, building specifications / quality / design / layout and condition / age of building
Adjusted Value	RM438 psf	RM528 psf	RM569 psf

VALUATION CERTIFICATES (Cont'd)



3.3 MARKET VALUE (CONT'D)

Valuation Rationale

From the above adjusted values, we note that the derived values ranged between RM438 psf to RM569 psf. In view of limited recorded transactions of identical hypermarkets in the immediate and surrounding localities, we have resorted to adopt the selected comparable(s) in our assessment by Comparison Approach; as it is not possible to identify exactly similar properties to make reference to, hence appropriate adjustments are made to reflect the differences of the comparable(s) and the property being valued.

Although total adjustments (in excess of 95%) were considered and made in our assessment, we are of the view that the selected comparable(s) adopted are still considered relevant as most of the selected comparable(s) are considered to have relatively similar attributes as compared to the Subject Property. With total effective adjustments made for all Comparable(s); we have placed greater reliance on Comparable 3 (being the comparable with least dissimilarities) as fair representation after having considered and made diligent adjustments for differences including but not limited to prevailing market condition, location, accessibility, catchment area, size, building specifications / quality / design / layout and condition / age of building. Having regards to the foregoing, we have adopted the rounded value of RM700,000,000 as fair representation of the Market Value derived from the Comparison Approach.

VALUATION CERTIFICATES (Cont'd)

Paradigm REIT Management Sdn Bhd
 (on behalf of RHB Trustees Berhad, as the proposed Trustee of Paradigm Real Estate Investment Trust)
 B-29-03, The Ascent, Paradigm
 No. 1, Jalan SS7/26A, Kelana Jaya
 47301 Petaling Jaya
 Selangor Darul Ehsan

Date: 06 FEB 2025

Reference No.: V/COR/24/0208(A) - (C)

Dear Sir / Madam,

UPDATE VALUATION CERTIFICATE FOR THE THREE (3) RETAIL MALLS TO BE HELD BY RHB TRUSTEES BERHAD, AS THE PROPOSED TRUSTEE OF PARADIGM REAL ESTATE INVESTMENT TRUST; IDENTIFIED AS PARADIGM MALL JOHOR BAHRU, PARADIGM MALL PETALING JAYA AND BUKIT TINGGI SHOPPING CENTRE (COLLECTIVELY HEREINAFTER REFERRED TO AS THE "SUBJECT PROPERTIES")

We were instructed by Paradigm REIT Management Sdn Bhd (on behalf of RHB Trustees Berhad, as the proposed Trustee of Paradigm Real Estate Investment Trust) (hereinafter referred to as the "Client") to prepare this update valuation certificate for the inclusion in the prospectus in relation to the proposed establishment and listing of Paradigm Real Estate Investment Trust on the Main Market of Bursa Malaysia Securities Berhad.

The valuation report(s) of the abovementioned properties were previously prepared by us bearing Reference No(s). V/COR/24/0057(A) to (C) dated 24 October 2024 ("Valuation Report") and the relevant date of valuation stipulated therein was 18 June 2024 for Paradigm Mall Johor Bahru and Paradigm Mall Petaling Jaya, while the date of valuation for Bukit Tinggi Shopping Centre was 25 June 2024. For all intents and purposes, this update valuation certificate bearing Reference No. V/COR/24/0208(A) to (C) dated 6 February 2025 should be read in conjunction with our formal Valuation Reports.

Pursuant to the Client's instruction, we have reviewed the latest information provided to us by the Client and re-inspected the Subject Properties on 31 December 2024 and adopted 31 December 2024 as the material date of valuation for this update valuation.

The basis of valuation adopted is the **Market Value** which is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

We have prepared and provided this update valuation certificate which outlines factors that have been considered in arriving at our opinion of Market Value and reflects all information known by us and based on present market condition.

Knight Frank Malaysia Sdn Bhd Co Reg. No. 200201017816 (585479-A)

Level 10, Menara Southpoint, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur.

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VALUATION CERTIFICATES (Cont'd)



Malaysia: Retail Performance

Malaysia's retail industry grew at a marginal rate of 2.2% in 2023, hindered by the persistent high cost of living and compounded by the ongoing impact of the Palestinian-led Boycott, Divestment, and Sanctions movement. Despite the persistent challenge of rising living cost, the annual growth rate for 2024 is projected to moderately improve to 3.9%, following positive retail sales growth of 3.8% in 3rd quarter of 2024 ("3Q2024").

Property Market Analysis for Selangor Retail Market

The cumulative supply of retail space in Selangor stood at circa 36.85 million square feet ("sq. ft.") as of 2024. This follows the opening of Elmina Lakeside Mall in Shah Alam and 168 Park Selayang Mall in Selayang with combined net lettable area ("NLA") of approximately 0.45 million sq. ft. in 2nd half of 2024. The scheduled completions / openings of two (2) incoming retail developments in 2025 tabulated below will collectively add nearly 2.00 million sq. ft. of space to the existing retail stock.

Shopping Centre / Retail Component	Location	Estimated NLA (sq. ft.)
Sunsuria Forum @ 7th Avenue Phase 2	Setia Alam	256,000
Hextar World @ Empire City Damansara	Damansara Perdana	1,700,000
Total		1,956,000

Sources: Knight Frank Research

Based on the information available, the occupancy of the selected shopping centres as of December 2023, with the exception of Subang Parade, which observes below-average occupancy at 74.3%, the remaining selected shopping centres in Selangor (Sunway Pyramid Shopping Mall, The Starling Mall and 1 Utama Shopping Centre) enjoy occupancy rates above 90.0%.

Property Market Analysis: Johor Retail Market

As of 3Q2024, the cumulative supply of retail space (includes hypermarkets and arcades) in Johor stood at circa 26.43 million sq. ft.. The bulk of retail supply comes from Johor Bahru with 20.48 million sq. ft. (77.5%) while other district accounts for the remaining 5.95 million sq. ft. of space (22.5%). According to National Property Information Centre, there is no shopping complex being completed or planned in 3Q2024. For incoming supply, there are three (3) incoming shopping complexes in Johor Bahru as of 2025, which is tabulated as below and upon completion, this shopping complex will increase the supply by approximately 730,000 sq. ft..

Shopping Centre / Retail Component	Location	Estimated NLA (sq. ft.)
SKS City Mall	Jalan Storey, Johor Bahru	280,000
Horizon Mall	Horizon Hills, Iskandar Puteri	150,000
Medini Lakeside Mall	Persiaran Medini Sentral 1, Iskandar Puteri	300,000
Total		730,000

Sources: Knight Frank Research

As of 3Q2024, the occupancy rate recorded at 72.0% and 71.5% for Johor and Johor Bahru respectively. Additional transactions recorded as of 2024 include Stellar Walk @ Helios Cove, which was transacted at RM47 million and Kluang Mall which was purchased by Sunway Real Estate Investment Trust at RM158 million.

VALUATION CERTIFICATES (Cont'd)



Market Outlook

Following Malaysia's retail sales growth of 2.2% in 2023, the sector is projected to see further expansion in 2024, with growth anticipated to reach 3.9%. This upward trend signals a strengthening retail market, driven by improving consumer confidence and broader economic recovery despite the rising cost of living. Concurrently, the country's economy for the full year of 2024 is estimated to grow between 4.8% and 5.3%.

For consumers, rising cost of living and persistent high inflation remained as the ongoing hurdles. The government has introduced several supportive measures, including the RM200 million 'Payung Rahmah' initiative, to cushion the impact of the rising cost of living. Under the recent tabling of Budget 2025, the government will continue to allocate RM300 million for the 'Payung Rahmah' initiative, along with cash aid and incentives via the Sumbangan Tunai Rahmah and Sumbangan Asas Rahmah programmes, boosting the budget allocation by 30% to RM13 billion.

In the upcoming year (2025), consumer purchasing power is expected to strengthen, partly due to the anticipated increase of up to 15% in civil servant remuneration during the first phase in December 2024, with the second phase following in January 2026. The proposed increase in minimum wage rate from RM1,500 to RM1,700, provided under Budget 2025, is also expected to significantly bolster disposable income and encourage greater consumer spending.

However, retailers' operating expenses may also rise, following the increase in minimum wage, mandatory Employees Provident Fund contribution for foreign workers and progressive expansion of the sales and service tax, which includes commercial services, non-essential goods and premium imports. Moreover, in effort to reduce the public's sugar consumption and tackle diabetes, the increase of excise duty on sugar-sweetened beverages by RM0.40 per litre is expected to also raise operational costs, leading to price adjustments and subsequently impacting the consumers' demand for sugary beverages.

Digitalisation / e-commerce remained indispensable, supported by the steady growth of digital consumers as well as high penetration of e-wallets and digital payments. Although physical stores remain vital, consumers also expect a seamless shopping experience, online and offline. Driven by younger consumers in the millennials and Gen Z generation groups, digital payment service / e-wallet is projected to gather further momentum.

Retailers and mall operators are increasingly re-configuring their spaces and embarking on asset enhancement initiatives to adapt to the ever-evolving retail landscape. Environment, Social and Governance principles have become an integral part of their business strategies. While promoting experiential retail, thematic stores and promotional events, these efforts also aim to differentiate from a saturated market and distinguish the shopping experience from online retail to lure consumers to physical stores.

Despite a challenging environment characterised by geopolitical fragmentation, rising inflation and fluctuating currency, Malaysia's economy is poised to grow higher between 4.5% and 5.5% in 2025, bolstered by robust economic policies. Concurrently, local retail sector is expected to sustain with steady domestic demand and backed by rising tourist arrivals.

Johor Bahru's retail market has shown significant improvement, marked by higher occupancy rates and increased foot traffic in malls. Retailers are responding to evolving consumer preferences by diversifying their offerings and incorporating entertainment and medical elements into mall environments. The retail landscape in Johor Bahru is expanding, with more brands entering the market, supported in part by the strong Singapore Dollar, which has driven increased retail spending in the city.

VALUATION CERTIFICATES (Cont'd)



Summary of the Subject Properties are as attached below.

No.	Reference No.	Identification of Property	Market Value
1.	V/COR/24/0208(A)/lky	Paradigm Mall Johor Bahru, Johor Darul Takzim	RM1,157,000,000
2.	V/COR/24/0208(B)/wyt	Paradigm Mall Petaling Jaya, Selangor Darul Ehsan	RM600,000,000
3.	V/COR/24/0208(C)/lky	Bukit Tinggi Shopping Centre, Bandar Bukit Tinggi 2, Selangor Darul Ehsan	RM680,000,000
Total Market Value			RM2,437,000,000

For and on behalf of
KNIGHT FRANK MALAYSIA SDN BHD
(signed and sealed by)



OOI HSIEN YU
Registered Valuer, V-692
MRICS, MRISM, FPEPS, MMIPFM

Date: 06 FEB 2025

Notes: -

- i) Please note that this certificate shall only be valid provided always that a signature of our authorised signatory and an official seal have been affixed hereto.
- ii) The above valuation is peer reviewed by Knight Frank Malaysia Sdn Bhd (Head Office), Mr. Justin Chee Ting Hwang (Registered Valuer, V-774).

VALUATION CERTIFICATES (Cont'd)



1.0 V/COR/24/0208(A) – PARADIGM MALL JOHOR BAHRU

1.1 IDENTIFICATION OF PROPERTY AND PROPERTY DESCRIPTION

Interest Valued / Type of Property	Legal interest in a retail mall comprising six (6) retail levels with a mezzanine floor and a level of cinema and convention centre along with basement and elevated car park levels known as Paradigm Mall Johor Bahru, comprising relevant areas and components forming parcel + accessory parcels appurtenant thereto together with all fixtures, fittings and equipment + systems affixed and installed thereto; forming part of the commercial integrated development of Paradigm Johor Bahru; held under Strata Title No. Geran 413471/M1/B1/1; sited on Parent Lot 32665, Mukim Tebrau, District of Johor Bahru, Johor Darul Takzim.
Name and Address	Paradigm Mall Johor Bahru, Lot 32665, Jalan Mewah Ria 2, Taman Bukit Mewah, 81200 Johor Bahru, Johor Darul Takzim.
Legal Aspect	A private search conducted on 1 January 2025 has revealed that the strata title particulars and legal status of Paradigm Mall Johor Bahru remains unchanged as per our previous Valuation Report; save for the parcel rent payable (whereby a sum of RM 446,591.00 is payable from 1 January 2025; in accordance with Section 4C of Strata Title Act 1985) and an update of the express condition (which is now read as "Tanah ini hendaklah digunakan sebagai PANGSAPURI PERKIHIDMATAN / RUANG PERNIAGAAN / HOTEL, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan"). During the review period, we were also made to understand that RHB Islamic Bank Berhad and WCT Hartanah Jaya Sdn Bhd are in the midst of registering a charge (which was previously uplifted to facilitate the application for subdivision of the Parent Lot 32665 for the issuance of strata title for Paradigm Johor Bahru) against the strata title in respect of Paradigm Mall Johor Bahru in favour of RHB Islamic Bank Berhad.

1.2 PROPERTY DESCRIPTION

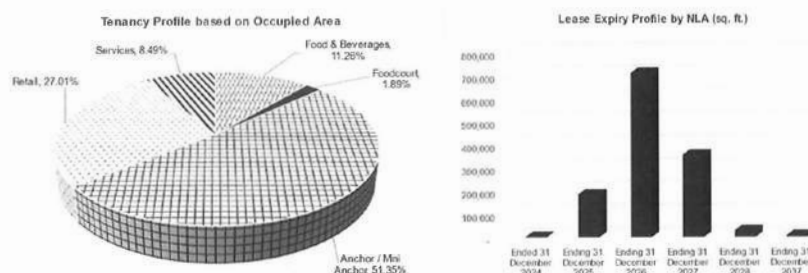
Physical Aspect	As at the date of re-inspection, the physical state (including strata floor area + car park facilities) of the Paradigm Mall Johor Bahru remained unchanged as per our previous valuation.
NLA / Occupancy	The tenancy schedule dated 31 December 2024 has revealed that there is an increase in terms of NLA to 1,293,260 sq. ft. ^(Note) as compared to our previous Valuation Report at 1,291,165 sq. ft. due to the reconfiguration of the retail area(s) / kiosk(s) / seating area(s) with the actual average concluded gross rental rate increased from RM5.47 per square foot ("psf") to RM5.66 psf per month over the occupied NLA. Note: The abovementioned total NLA excludes the retail lot / kiosk(s) converted from car park / common area(s) which do not form part of the approved building plans. The current occupancy rate has increased from 98.24% to 99.11% due to the addition of new tenants. The current weighted average lease expiry ("WALE") stands at 1.86 years.

VALUATION CERTIFICATES (Cont'd)



1.2 PROPERTY DESCRIPTION (CONT'D)

Tenancy Profile & Lease Expiry Profile



1.3 MARKET VALUE

Valuation Methodology

Similar to our previous valuation, in arriving at our opinion of the Market Value of the Subject Property, we have adopted the **Income Approach by DCF Method** as the primary approach and supported by the **Comparison Approach**.

Historical Performance

Historical Operating Performance of Paradigm Mall Johor Bahru for Financial Period(s) Ended ("FPE") 31 May 2024 and Unaudited Financial Year Ended ("FYE") 31 December 2024

	Jan – May 2024	Jan – Dec 2024
Average NLA	1,282,352 sq. ft.	1,288,545 sq. ft.
Average Occupancy (based on business commenced)	95.48%	96.29%
Average Occupancy (based on committed and / or commenced tenancy)	96.78%	97.93%
Total Gross Income ⁽¹⁾	RM44,325,434	RM111,629,197
Total Outgoings ⁽²⁾	RM18,967,709	RM39,899,323
Net Property Income ⁽³⁾	RM25,357,726	RM71,729,874

Notes:

The above historical performance also incorporated the Malaysian Financial Reporting Standard ("MFRS") and pro forma adjustment such as property management fees, amortisation of transaction costs on financing and non-cash item such as provision of doubtful debts.

- (1) Total Gross Income consists of rental income, advertising & promotion income, car park income, income receivable from convention centre, other related incomes and rental rebates.
- (2) Total Outgoings include property taxes, insurance, repair and maintenance, other operating expenses as well as property management fees.
- (3) The total summation may not be able to be reconciled due to rounding.

VALUATION CERTIFICATES (Cont'd)



1.3 MARKET VALUE (CONT'D)

Reconciliation of Values	Method of Valuation	Derivation of Values
	Income Approach by DCF Method	RM1,157,000,000
	Comparison Approach	RM1,171,000,000

Market Value RM1,157,000,000.

Income Approach by DCF Method We have reassessed the Market Value of Paradigm Mall Johor Bahru with the updated details and have adopted the same parameters in the Income Approach as per our previous Valuation Report; save and except for the projected occupancy (Y1: 99.37% to Y10: 100%), projected gross rental revenue (Y1: RM 5.68 psf to Y10: RM8.10 psf) and projected other income (Y1: RM1.21 psf to Y10: RM1.42 psf) due to the increase in NLA / renewed tenancies / additional take-up of vacant units.

Comparison Approach During the review period, we noted that there are recent retail mall transactions within the state of Johor (as indicated above). However, the unavailability of public information led to our inability to analyse the comparables accurately. In addition, these transactions are not comparable to the Subject Property. Therefore, we have relied on the same set of retail mall transactions used in our previous valuation.

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VALUATION CERTIFICATES (Cont'd)



2.0 V/COR/24/0208(B) – PARADIGM MALL PETALING JAYA

2.1 IDENTIFICATION OF PROPERTY

Interest Valued / Type of Property	Legal interest in a retail mall comprising six (6) retail levels with a lower ground floor and two (2) basement car park levels along with two (2) retail levels sited below the existing Le Meridien Petaling Jaya and The Azure Residences; collectively known as Paradigm Mall Petaling Jaya, comprising relevant areas and components forming parcel + accessory parcels appurtenant thereto together with all fixtures, fittings and equipment + systems affixed and installed thereto; forming part of the commercial integrated development of Paradigm Petaling Jaya held under Strata Title No(s). PN 107088/M1/B2/1, PN 107088/M1-A/1/2 and PN 107088/M1-B/3/5; all sited on Parent Lot 72658 Seksyen 40, Bandar Petaling Jaya, District of Petaling, Selangor Darul Ehsan.
Name and Address	Paradigm Mall Petaling Jaya, No. 1, Jalan SS 7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.
Legal Aspect	The private searches conducted on 3 January 2025 have revealed that the strata title particulars and legal status of the Paradigm Mall Petaling Jaya remains unchanged as per our previous Valuation Report.

2.2 PROPERTY DESCRIPTION

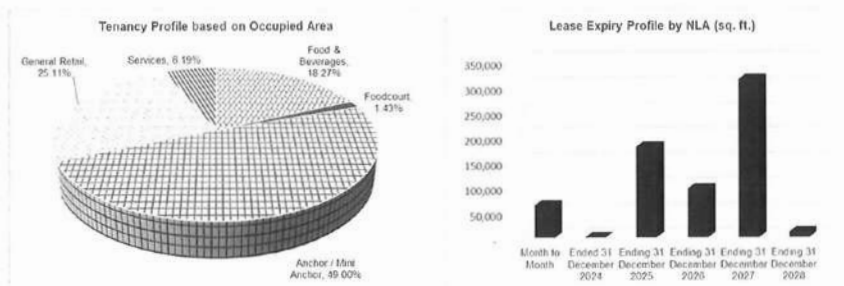
Physical Aspect	As at the date of re-inspection, the physical state (including strata floor area + car park facilities) of the Paradigm Mall Petaling Jaya remained unchanged as per our previous valuation; whilst the application for the approval to convert the motorcycle / car parking bays and car park circulation areas to a permanent retail lot in the basement area is in progress.
NLA / Occupancy	The tenancy schedule dated 31 December 2024 has revealed that there is a decrease in terms of NLA to 680,048 sq. ft. ^(Note) as compared to our previous Valuation Report at 680,177 sq. ft. due to the reconfiguration of the retail area(s) / kiosk(s) / seating area(s) with the actual average concluded gross rental rate increased from RM5.66 psf to RM6.08 psf per month over the occupied NLA. Note: Similar to the previous valuation, the abovementioned total NLA excludes the retail lot / kiosk(s) converted from car park / common area(s) which do not form part of the approved building plans. The current occupancy has dropped slightly from 97.69% to 97.62% due to non-renewal(s) of the previous selective committed tenancies since our last valuation. The current WALE stands at 1.61 years.

VALUATION CERTIFICATES (Cont'd)



2.2 PROPERTY DESCRIPTION (CONT'D)

Tenancy Profile & Lease Expiry Profile



2.3 MARKET VALUE

Valuation Methodology Similar to our previous valuation, in arriving at our opinion of the Market Value of the Subject Property, we have adopted the **Income Approach by DCF Method** as the primary approach and supported by the **Comparison Approach**.

Historical Performance

Historical Operating Performance of Paradigm Mall Petaling Jaya for FPE 31 May 2024 and Unaudited FYE 31 December 2024

	Jan – May 2024	Jan – Dec 2024
Average NLA	674,681 sq. ft.	677,926 sq. ft.
Average Occupancy (based on business commenced)	97.06%	96.59%
Average Occupancy (based on committed and / or commenced tenancy)	97.75%	97.75%
Total Gross Income ⁽¹⁾	RM24,240,622	RM59,382,529
Total Outgoings ⁽²⁾	RM10,094,554	RM22,579,194 ^(2A)
Net Property Income	RM14,146,068	RM36,803,335

Notes:

The above historical performance also incorporated the MFRS and pro forma adjustment such as property management fees, foodcourt income and expenses, amortisation of transaction costs on financing and non-cash item such as provision of doubtful debts.

- (1) Total Gross Income consists of rental income, advertising & promotion income, car park income, other related incomes and rental rebates.
- (2) Total Outgoings include property taxes, insurance, repair and maintenance, other operating expenses as well as property management fees.
- (2A) Excluding the one-off payment amounting to RM23,500,000 being the consent fee for the proposed disposal exercise for Paradigm Real Estate Investment Trust.

Reconciliation of Values

Method of Valuation	Derivation of Values
Income Approach by DCF Method	RM600,000,000
Comparison Approach	RM594,000,000

Market Value

RM600,000,000.

VALUATION CERTIFICATES (Cont'd)



2.3 MARKET VALUE (CONT'D)

Income Approach by DCF Method	We have reassessed the Market Value of Paradigm Mall Petaling Jaya with the updated details and have adopted the same parameters in the Income Approach as per our previous Valuation Report; save and except for the projected occupancy (Y1: 98.72% to Y10: 100%) and projected gross rental revenue (Y1: RM RM6.12 psf to Y10: RM8.88 psf) due to the renewed tenancies / additional take-up of vacant units.
Comparison Approach	In our reassessment via Comparison Approach, we note that the Market Value of the Subject Property has decreased from RM603,000,000 to RM594,000,000 after having reflected the latest concluded transactions of retail mall during the review period (Tropicana Gardens Mall and D'Pulze Shopping Centre).

Sales Comparison and Analysis of Retail Mall Transactions			
	Comparable 1	Comparable 2	Comparable 3
Name and Address	Tropicana Gardens Mall, No. 2A, Persiaran Surian, Tropicana Indah, 47810 Petaling Jaya, Selangor Darul Ehsan	D'Pulze Shopping Centre, Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan	Pavilion Bukit Jalil, No. 2, Persiaran Jalil 8, Bandar Bukit Jalil, 57000 Kuala Lumpur
Legal Description	Strata Title No(s). PN 118239/M1/B1/5, PN 118239/M1/B1/6, PN 118239/M1/1/7, PN 118239/M1/B1/3 and PN 118239/M1/B5/1, all held under Parent Lot 67275, Pekan Baru Sungai Buloh, District of Petaling, Selangor Darul Ehsan	Strata Title No(s). Geran 267027/M1/3/4, Geran 267027/M1/B2/1 and Geran 267027/M1/B2/2 together with 82 Accessory Parcels identified as Parcel No(s). A249 - A273, A661 - A668 and A1 - A49, all erected on part of the land held under Master Lot 47594, Mukim of Dengkil, District of Sepang, Selangor Darul Ehsan	Parent Lot 101899 held under Master Title No. Geran 79550, Mukim Petaling, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur
Type of Property	A 7-storey retail podium with approximately 457 stores and 2,190 car park bays	A 7-storey commercial building with 2 levels of basement with a total of 1,028 car park bays	A block of retail mall with 5 levels of retail space and two levels of basement parking (4,800 car parking bays)
Tenure	Leasehold interest for a term of 99 years, expiring 25 April 2106	Interest in perpetuity	Interest in perpetuity
Age	Approximately 4 years	Approximately 10 years	Approximately 1 year
Net Lettable Area	97,651.04 square metres ("sq. m.") (1,051,107 sq. ft.)	28,939.21 sq. m. (311,499 sq. ft.)	169,273.15 sq. m. (1,822,041 sq. ft.)
Consideration	RM680,000,000	RM320,000,000	RM2,200,000,000
Date of Transaction	23 July 2024	27 May 2024	22 November 2022
Analysis	RM6,963.57 per sq. m. (RM647 psf)	RM11,057.66 per sq. m. (RM1,027 psf)	RM12,996.74 per sq. m. (RM1,207 psf)

VALUATION CERTIFICATES (Cont'd)



2.3 MARKET VALUE (CONT'D)

Sales Comparison and Analysis of Retail Mall Transactions			
	Comparable 1	Comparable 2	Comparable 3
Vendor	Tropicana Indah Sdn Bhd, indirect 70%-owned subsidiary of Tropicana Corporation Berhad	DPulze Ventures Sdn Bhd	Regal Path Sdn Bhd, a 51% joint venture of Malton Berhad
Purchaser	IOI Mall Damansara Sdn Bhd, a wholly-owned subsidiary of IOI Properties Group Berhad	Pacific Trustees Berhad, as the trustee of KIP Real Estate Investment Trust	MTrustee Berhad, as trustee of Pavilion Real Estate Investment Trust
Source	Bursa Malaysia Securities Berhad ("BURSA")	BURSA	BURSA / Circular dated 7 March 2023
Adjustments	General adjustments are made for accessibility, floor area / parcel area / net lettable area, tenant mix / market positioning / store concept, establishment of mall, car park ratio and condition / age of building	General adjustments are made for location, tenure and floor area / parcel area / net lettable area	General adjustments are made for location, tenure, floor area / parcel area / net lettable area, tenant mix / market positioning / store concept, building specifications / quality / design / layout and condition / age of building
Adjusted Value	RM906 psf	RM873 psf	RM845 psf

Comparison Approach
(Cont'd)

With the new adopted comparable(s), we note that the derived values for these selected comparable(s) ranged between RM845 psf to RM906 psf. With total effective adjustments made for all comparable(s); we have placed greater reliance on Comparable 2 (D'Pulze Shopping Centre) (being the comparable with least dissimilarities) as fair representation after having considered and made diligent adjustments for differences including but not limited to prevailing market condition, location, tenure and floor area / parcel area / net lettable area.

VALUATION CERTIFICATES (Cont'd)



3.0 V/COR/24/0208(C) – BUKIT TINGGI SHOPPING CENTRE

3.1 IDENTIFICATION OF PROPERTY

Interest Valued / Type of Property	Legal interest in a retail mall comprising three (3) levels of retail area with a mezzanine floor and car park facilities which includes surface, basement, elevated and rooftop level(s) along with fixtures, fittings, equipment, and systems affixed and installed therein and other supporting facilities and amenities attached thereto; sited on Lot 186125 held under Title No. Geran 338914, Mukim and District of Klang, Selangor Darul Ehsan.
Name and Address	Bukit Tinggi Shopping Centre, No. 1, Persiaran Batu Nilam 1/KS 6, Bandar Bukit Tinggi 2, 41200 Klang, Selangor Darul Ehsan.
Legal Aspect	A private search conducted on 3 January 2025 has revealed that the title particulars and legal status of Bukit Tinggi Shopping Centre remains unchanged as per our previous Valuation Report; save for the current encumbrances (whereby the existing lease to AEON Co. (M) Sdn Bhd for a term of six (6) years commencing from 24 November 2023 and expiring on 23 November 2029 has been registered vide Presentation No. 00SC169448/2024 on 6 September 2024).

3.2 PROPERTY DESCRIPTION

Physical Aspect	As at the date of re-inspection, the physical state (including gross floor area + total car parking bays) of the Bukit Tinggi Shopping Centre remained unchanged as per our previous valuation; except for the car park area adjacent to the light rail transit ("LRT") which is currently being temporarily used by Seri Utama LRT 3 Sdn Bhd to facilitate the piping relocation works relating to the LRT3 project ("LRT3"). In respect of part of the basement car park area (enclosed and renovated to accommodate a facility management office) and the go-kart area (conversion of part of car park area on Level 3 for go-kart activities), we were made to understand by Gemilang Waras Sdn Bhd that the necessary applications for approval have been submitted to the Klang Royal City Council for the above improvement and thereafter will be issued with a Certificate of Completion and Compliance.
Gross Lettable Area ("GLA") for the Demised Premises	There is no change in terms of GLA as compared to our previous valuation.

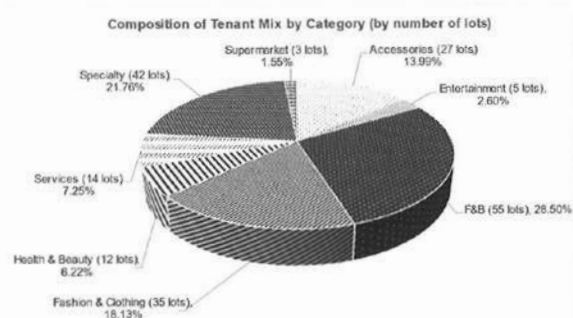
VALUATION CERTIFICATES (Cont'd)



3.2 PROPERTY DESCRIPTION (CONT'D)

Occupancy Status	Component	Occupancy Status
	The Demised Premises	Remained unchanged as per previous valuation.
	Car Park Facilities	Remained unchanged as per previous valuation; save and except for the 27 surface car parking bays adjacent to LRT3, which is currently tenanted to Seri Utama LRT 3 Sdn Bhd.
	Ancillary Area [storage(s) + car wash + aerobus services + antenna(s)]	Tenanted to respective tenant for either month-to-month or two (2) to three (3)-year tenancy term

Based on our general observation during re-inspection, we noted the current occupancy rate of the mall based on sub-tenancies remains at about 96% (based on number of lots); with the latest composition of the tenant mix by category illustrated below.



3.3 MARKET VALUE

Valuation Methodology Similar to our previous valuation, in arriving at our opinion of the Market Value of the Subject Property, we have adopted the **Income Approach by Investment Method** as the primary approach and supported by the **Comparison Approach**.

VALUATION CERTIFICATES (Cont'd)



3.3 MARKET VALUE (CONT'D)

Historical Performance

Historical Operating Performance of Bukit Tinggi Shopping Centre for FPE 31 May 2024 and Unaudited FYE 31 December 2024

	Jan – May 2024	Jan – Dec 2024
GLA	1,000,949.71 sq. ft.	1,000,949.71 sq. ft.
Occupancy (Master Lease)	100%	100%
Total Gross Income ⁽¹⁾	RM19,567,964	RM46,995,915
Total Outgoings ⁽²⁾	RM3,255,997	RM7,911,980
Net Property Income	RM16,311,967	RM39,083,935

Notes:

The above historical performance also incorporated the MFRS and pro forma adjustment such as property management fees, amortisation of transaction costs on financing and non-cash item such as provision of doubtful debts.

(1) Total Gross Income consists of rental income from master lease with AEON Co. (M) Bhd, car park income, income receivable from ancillary areas, other related incomes and rental rebates.

(2) Total Outgoings include property taxes, insurance, repair and maintenance, other operating expenses as well as property management fees.

Reconciliation of Values

Method of Valuation	Derivation of Values
Income Approach by Investment Method	RM680,000,000
Comparison Approach	RM700,000,000

Market Value

RM680,000,000.

Income Approach by Investment Method

We have reassessed the Market Value of Bukit Tinggi Shopping Centre with the updated details and have adopted the same parameters in the Income Approach as per our previous Valuation Report.

Comparison Approach

We have adopted the same comparables transaction of retail malls as per our previous Valuation Report as there was no new comparable transactions during the review period.

INDEPENDENT PROPERTY MARKET REPORT

Independent Property Market Report | April 2025



Ref : Rsh/Proposal/24/19

Date: 21st April 2025

The Board of Directors
Paradigm REIT Management Sdn Bhd
(Formerly known as WCT REIT Management Sdn Bhd)
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Dear Sir/Madam,

INDEPENDENT PROPERTY MARKET RESEARCH REPORT FOR THE INITIAL PUBLIC OFFERING OF PARADIGM REAL ESTATE INVESTMENT TRUST

Savills (Malaysia) Sdn Bhd ("Savills") was commissioned by Paradigm REIT Management Sdn Bhd ("Paradigm REIT Management") to provide an Independent Property Market Research Report ("Report") for the specific purpose of inclusion in Paradigm Real Estate Investment Trust's ("Paradigm REIT") Prospectus, in connection with Paradigm REIT's proposed initial public offering and listing of Paradigm REIT on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). This Report is required for submission to the Securities Commission Malaysia ("SC") and/or relevant parties, in accordance with the requirements of the Prospectus Guidelines issued by the SC.

It is understood that RHB Trustees Berhad, being the proposed trustee for Paradigm REIT, will, on behalf of Paradigm REIT, acquire a portfolio of real estate used primarily for retail purposes — namely Bukit Tinggi Shopping Centre, Paradigm Mall Petaling Jaya, and Paradigm Mall Johor Bahru (collectively referred to as the "Subject Properties"). Accordingly, this Report aims to provide an overview of the retail property market in Selangor and Iskandar Malaysia, Johor. This includes a macroeconomic overview, regulatory overview, state-level economic outlook, and submarket analysis relevant to the Subject Properties.

In accordance with our normal practice, we would state that this Report has been prepared for general information purpose only and do not constitute a formal valuation, appraisal or recommendation. It is only for the use of the person to whom it is addressed and we accept no responsibility to any third party for the whole or any part of its contents. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent, which will not be unreasonably withheld.

Our findings are based on the assumptions given. As is customary with market studies, our findings should be subject to review at regular intervals.

Offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

Savills (Malaysia) Sdn Bhd (Company no. 199501004315 (333510-P))



VEPM(1)0232



INDEPENDENT PROPERTY MARKET REPORT (Cont'd)

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While reasonable care has been exercised in preparing the Report, it is subject to change and these particulars do not constitute, nor constitute part of, an offer or contract. Interested parties should not rely on the statements or representations of fact but must satisfy themselves by inspection or otherwise as to the accuracy. The estimates and conclusions contained in this Report have been conscientiously prepared in light of our experience in the property market and information that we were able to collect.

This Report is subject to the following limiting conditions:

- The projections/estimates made by Savills are based on public and private sources, as well as internal estimates that are subject to change and may prove to be incorrect. Readers of the information should be aware that actual results may differ from those projected/estimated. In light of the limitations on the projections/estimates and information described above, readers are cautioned not to place undue reliance on this information.
- Any plan or map in this Report is included to assist the readers in visualising the Subject Properties. We have made no survey of the Subject Properties and assume no responsibility in connection with such matters.



For and on behalf of
SAVILLS (MALAYSIA) SDN BHD

DATUK SR. PAUL KHONG
MRICS FRISM APEPS
Chartered Surveyor
Managing Director



INDEPENDENT PROPERTY MARKET REPORT

April 2025

Prepared For:
PARADIGM REIT

INDEPENDENT PROPERTY MARKET REPORT (Cont'd)



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1.0 Terms of Reference

Savills (Malaysia) Sdn Bhd ("Savills") was commissioned by Paradigm REIT to provide an Independent Property Market Report ("Report") for the purpose of Paradigm REIT's Initial Public Offering ("IPO") and listing on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

This Report aimed to satisfy the following scope of work:

- (A) Economic Overview and Outlook:** An overview of the Malaysian, Selangor and Johor economies focusing on macroeconomic indicators was presented in this section.
- (B) Property Market Overview and Outlook:** An assessment of the retail property market in Selangor and Johor. This included an overview of demand and supply as well as the outlook for the retail property markets in general.

Review of REIT Portfolio and Outlook: A review of the portfolio under the REIT from the perspectives of location, trade area, and performance analysis, as well as SWOT and comparative analysis. Subsequently, outlook commentary on the assets was also provided based on market findings.

This Report is subject to the following limiting conditions:

- Neither the whole nor any part of this Report or any reference to it may be included in any published document, circular to statement nor published in any way without Savills's prior written approval of the form and context in which it may appear (other than in respect of any documents / information necessary to facilitate the IPO);
- Where it is stated in the Report that information has been supplied to Savills by another party, this information is believed to be reliable by Savills. Other information is derived from sources we believe to be reliable to the best of our ability. We can accept no responsibility if this should prove not to be so;
- Our Report is made solely for the use of the party to whom it is addressed and their professional advisors for the specific purpose it refers to. Savills disclaims all responsibility and will accept no liability to any other party;
- Any plan or map in this Report is included to assist the reader in visualising the property. We have not conducted a detailed survey of the property and assume no responsibility for such matters.

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2.0 Malaysia Economic Overview and Outlook

2.1 Key Economic Indicators

Table 2.1a: Malaysia Economic Data Overview, 2015 – 2024

Malaysia	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Real GDP at Constant 2015 Prices (RM million)	1,176,941	1,229,312	1,300,769	1,363,766	1,423,952	1,346,249	1,390,882	1,514,139 ^a	1,567,974 ^p	1,648,163 ^p
Real GDP Growth (%)	5.1%	4.4%	5.8%	4.8%	4.4%	-5.5%	3.3%	8.9%	3.6%	5.1%
GDP Per Capita at Constant 2015 Prices (RM)	37,739	38,860	40,620	42,115	43,783	41,491	42,697	46,307 ^a	46,943 ^p	48,392 ^p
GDP Per Capita at Current Prices (RM)	37,739	39,505	42,854	44,709	46,513	43,717	47,541	54,863 ^a	54,575 ^p	56,700 ^p
Consumer Price Index (2015=100)	112.8	115.2	119.5	120.7	121.5	120.1	123.1	127.2	130.4	132.8
Inflation Rate (%)	2.1%	2.1%	3.7%	1.0%	0.7%	-1.2%	2.5%	3.3%	2.5%	1.8%
Consumer Sentiment Index	69.6	73.7	82.6	96.8	82.2	85.2	97.2	105.3	89.4	87.1
Overnight Policy Rate	3.25%	3.13%	3.00%	3.25%	3.08%	2.08%	1.75%	2.17%	2.92%	3.00%
Exchange Rate, RM1.00 to US\$	0.2576	0.2417	0.2327	0.2480	0.2414	0.2381	0.2412	0.2276	0.2193	0.2191
Unemployment										
- Labour Force ('000 person)	14,518	14,668	14,980	15,280	15,582	15,406	15,533	15,770	16,367	17,179
- Employed ('000 person)	14,068	14,164	14,477	14,776	15,073	14,719	14,825	15,155	15,813	16,625
- Unemployed ('000 person)	450	504	503	504	508	687	708	614	553	553
- Unemployment Rate (%)	3.1%	3.4%	3.4%	3.3%	3.3%	4.5%	4.6%	3.9%	3.4%	3.2%
Domestic Aggregate Demand at Constant 2015 Prices (RM million)										
Private Consumption	635,099	672,260	718,702	776,054	835,714	802,747	817,103	909,562 ^a	951,892 ^p	1,000,483 ^p
Private Investment	198,150	206,977	225,594	235,343	239,027	210,653	216,502	232,110 ^a	242,734 ^p	272,620 ^p
Public Consumption	154,021	155,640	164,450	170,030	172,659	179,721	190,210	199,922 ^a	206,556 ^p	216,161 ^p
Public Investment	106,274	105,213	105,499	100,249	89,508	70,522	62,740	66,096 ^a	71,773 ^p	79,739 ^p
Net FDI Inflows (RM million)										
Manufacturing	17,238	12,140	6,271	15,000	7,690	7,016	32,368	50,146	5,469	n.a.
Services	13,841	23,919	20,931	15,378	17,439	5,383	11,510	23,496	35,358	n.a.
Mining and Quarrying	7,108	8,209	11,083	-344	4,748	1,964	5,765	1,567	1,391	n.a.
Construction	1,190	3,025	1,957	686	2,208	-667	73	187	-1,837	n.a.
Agriculture	0	-268	177	21	279	-415	722	21	21	n.a.

Source: Department of Statistics Malaysia (DOSM), Bank Negara Malaysia, Malaysian Institute of Economic Research (MIER)

Note: e – estimate; p – preliminary, by Department of Statistics Malaysia (DOSM)

Remark:

1. The inflation rate, overnight policy rate and all unemployment data for 2024 are based on averages, not on annual data.
2. The Consumer Sentiment Index is updated to Q1/2024.

- The Malaysian economy has demonstrated healthy expansion since 2015, with a compound annual growth rate (CAGR) of 3.8% from 2015 to 2024. In 2024, the real gross domestic product (GDP) grew by 5.1%, rising from RM1,567,974 million in 2023 to RM1,648,163 million at constant 2015 prices. The Department of Statistics Malaysia (DOSM) reported an inflation rate of 1.8% and an unemployment rate of 3.2% for 2024.

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**2.1.1 Economic Outlook**

- **The Malaysian economy is projected to maintain expansion in 2025.**

In 2025, Malaysia's economy is expected to remain resilient, fueled by substantial investment, steady household spending, and continued export growth. Growth in investment activities will be propelled by the continuing development of long-term private and public projects, the successful execution of approved investments, and the implementation of key initiatives outlined in national master plans.

Additionally, household spending will be supported by sustained growth in employment and wages, along with policy measures such as a higher minimum wage and increased civil servant salaries. Key factors contributing to export growth include global tech upswing, sustained non-electrical and electronic goods expansion, and increased tourist spending.

Risks for growth remain, particularly if key trading partners experience slower expansion, trade and investment restrictions intensify, or commodity production falls short of expectations. Conversely, growth could exceed expectations as stronger benefits from the technological upswing, a more vibrant tourism sector, and the accelerated implementation of investment initiatives are expected in 2025.

- **Inflation is expected to remain manageable in 2025.**

Malaysia's inflation declined to 1.8% in 2024, mainly due to lower inflation in mobile communication services from promotional pricing and a decline in petrol inflation linked to RON97. In 2025, inflation is expected to remain manageable, supported by easing global costs and stable domestic demand. Global commodity prices are expected to continue their downward trend, contributing to moderate cost conditions in the near term. As a result, the overall impact of recently announced domestic policy measures is expected to remain contained.

The inflation outlook faces potential upside risks due to substantial spillover effects from policy reforms, especially in a heightened demand environment. This may drive higher inflation expectations and broader price increases. Additionally, external inflation risks, primarily arising from uncertainties in global trade and geopolitical factors, may affect input costs through fluctuations in global commodity prices and financial markets.

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2.2 Income and Spending Trends**2.2.1 Mean Gross Monthly Household Income****Table 2.2a: Mean Gross Monthly Household Income, 2012 – 2022**

	2012	2014	2016	2019	2022	CAGR (2012 - 2022)
Malaysia	RM 5,000	RM 6,141	RM 6,958	RM 7,901	RM 8,479	5.4%
Selangor	RM 7,023	RM 8,252	RM 9,463	RM 10,827	RM 12,233	5.7%
Johor	RM 4,658	RM 6,207	RM 6,928	RM 8,013	RM 8,517	6.2%

Source: Economic Planning Unit (EPU), DOSM

- The national mean gross monthly household income has increased from RM5,000 in 2012 to RM8,479 in 2022, representing a CAGR of 5.4%. During the same period, Selangor and Johor also recorded increased mean gross monthly household income, with respective CAGRs of 5.7% and 6.2%.
- In 2022, the mean gross monthly household income in Selangor and Johor were RM12,233 and RM8,517, respectively. Both states' income surpassed the national average of RM8,479 in 2022, with Selangor recording the highest gross monthly household income.

2.2.2 Mean Monthly Household Expenditure**Table 2.2b: Mean Monthly Household Expenditure, 2009/10 – 2022**

	2009/10	2014	2016	2019	2022	CAGR (2009/10 - 2022)
Malaysia	RM 2,190	RM 3,578	RM 4,080	RM 4,609	RM 5,150	6.8%
Selangor	RM 2,666	RM 4,646	RM 5,342	RM 6,099	RM 6,770	7.4%
Johor	RM 2,018	RM 3,808	RM 4,167	RM 4,826	RM 5,342	7.8%

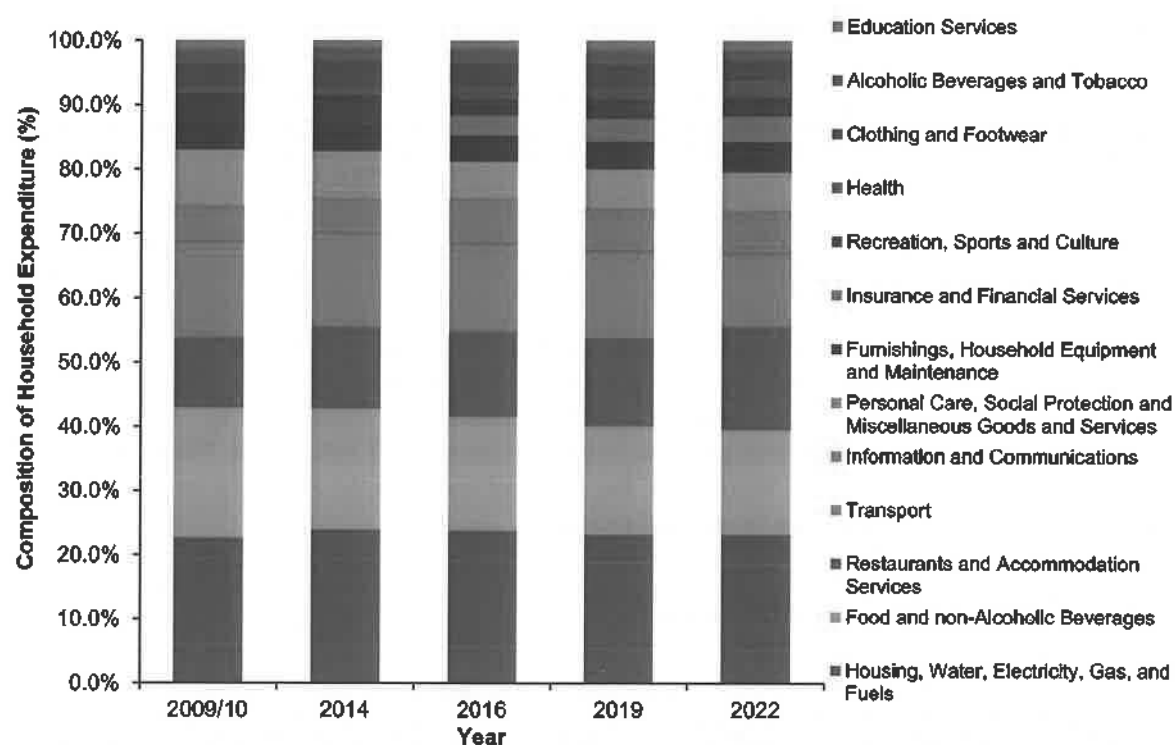
Source: EPU, DOSM

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Figure 2.2a: Malaysia Composition of Household Expenditure, 2009/10 – 2022



Note: 100% = Mean Monthly Household Consumption Expenditure
Source: EPU, DOSM

- Based on the recent Household Income Survey Report conducted by DOSM in 2022, Malaysian households' mean monthly consumption expenditure was RM5,150. Approximately 55.6% of the household expenditure was reportedly spent on housing, water, electricity, gas, and fuels (23.2%), food and non-alcoholic beverages (16.3%), and restaurants and accommodation services (16.1%) in 2022.
- The survey further revealed that urban households in Malaysia—defined as those residing in urban areas with a population of at least 10,000 people, where 60% of the working age and old age population is involved in non-agricultural activities—spent approximately 10% more than the national mean monthly household consumption, which amounted to RM5,675 in 2022. The primary composition of monthly expenditure by urban households included housing, water, electricity, gas, and fuels (23.8%), restaurants and accommodation services (16.6%), and food and beverages (F&B) (15.0%).
- Meanwhile, rural households—defined as those residing in rural areas with a population of fewer than 10,000 people—reported a mean consumption expenditure of RM3,409 in 2022, which is below the national average. For rural households, the largest monthly expenditure was allocated to F&B (24.0%).

2.2.3 Consumer Spending Behaviour and Preference

- Malaysia's GDP registered a growth of 23.2% from 2016 to 2022, which translates to a CAGR of 3.5% over the same period. Similarly, the nation's mean gross monthly income increased by 21.9% during the same period, with a CAGR of 3.3%. Selangor and Johor experienced GDP growth rates of 36.6% and 21.7%, respectively, from 2016 to 2022. Correspondingly, the average gross household income for Selangor and Johor grew by 29.3% and 22.9%, respectively, during the same period.

INDEPENDENT PROPERTY MARKET REPORT (Cont'd)



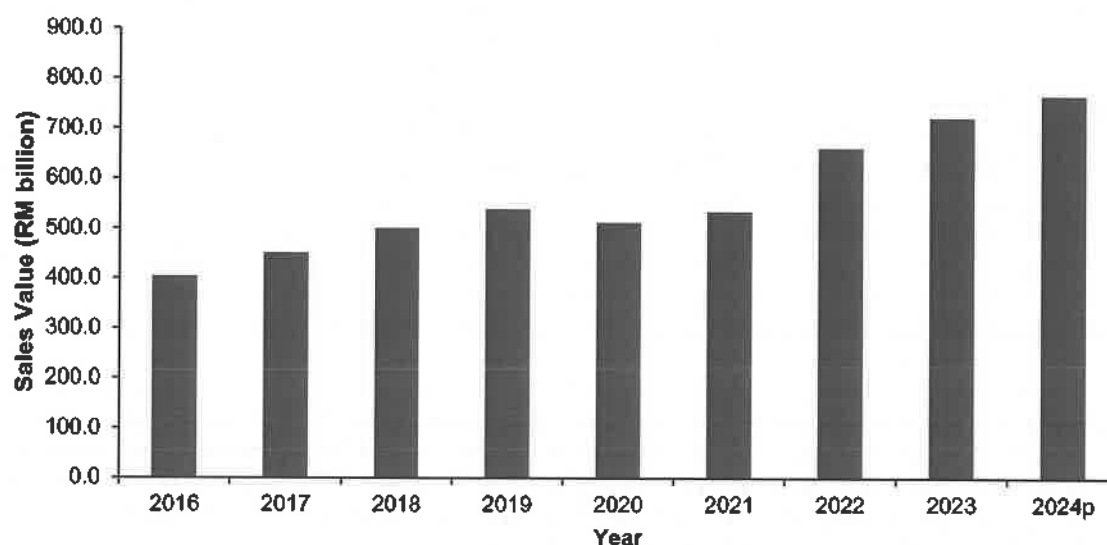
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- In 2022, Selangor's household gross monthly income reached RM12,233, placing the state's population in the high-income group. Meanwhile, Johor's household gross monthly income stood at approximately RM8,517, categorising its population within the middle-income group. This substantial growth in household income increased disposable incomes, leading to noticeable shifts in consumer spending behaviour.
- The retail industry in Malaysia has evolved significantly in recent years, with several factors significantly influencing consumer spending patterns. This is particularly evident after the COVID-19 pandemic, which prompted noticeable changes to the retail landscape to foster adaptability. Additionally, the rise in popularity of e-commerce, the evolution of retail mall establishments in terms of their physical offerings and shifts in household purchasing power have played vital roles in shaping the country's retail market.
- During the COVID-19 pandemic period from 2020 to 2021, the implementation of the Movement Control Orders (MCO) across Malaysia on 18th March 2020 strictly enforced practices on social distancing. This has significantly affected the retail sector, as households increasingly relied on online platforms to fulfil their shopping needs. Consequently, brick-and-mortar retail shops faced challenges, particularly, those without well-developed online shopping platforms for their customers and targeted consumers. Many retail businesses were compelled to adapt to the new normal or risk of closure due to the limitations imposed by the federal government of Malaysia in addressing the challenges associated with the pandemic.
- Since 2022, the e-commerce segment has remained prevalent, driven by consumers' continued preference for online shopping after the COVID-19 pandemic. The accelerated growth of e-commerce has been propelled by the widespread adoption of mobile apps and online websites by various retailers, including major luxury brands, to offer shoppers an omnichannel retail experience. These brands have adapted to the new norm by creating comprehensive online shopping platforms tailored to consumers in the digital age. Notably, retail brands in beauty and fashion, F&B, retailers, and household appliances are among the pioneering segments offering consumers a seamless digital shopping experience.
- Furthermore, retail malls have significantly evolved from their conventional purpose. Previously, malls primarily served as venues for physical shopping and dining experiences. However, in recent years, retail malls in Malaysia have embraced experiential retail by offering a wide range of social and entertainment options, incorporating theme parks, educational zones, recreational parks and open spaces for events. Ultimately, this experiential retail strategy can effectively complement the e-commerce platform, leading to an enhanced shopping experience in the digital era—a time when technology is widespread and deeply integrated into various aspects of daily life through the proliferation of digital devices.
- Consumers' spending behaviour indicates a shift towards the F&B sector. Retail malls now feature a higher proportion of F&B outlets, particularly in the form of cafés and restaurants. Retail Group Malaysia reported a 6.8% growth rate for F&B stalls and kiosks as of Q3/2024, while restaurants and cafés saw a higher growth rate of 8.2% during the same period. The F&B sector may encounter significant challenges, particularly considering the Israel-Hamas conflict, which has prompted consumer boycotts against certain international F&B franchises.
- As the country continues to grapple with rising living costs driven by the weakening Malaysian Ringgit and potential subsidy reforms, consumer purchasing power is expected to be affected. Recent economic reforms by the government, including the imposition of higher service tax rates (increased from 6% to 8%), the proposal of High-Value Goods Tax (HVGT) - ranging from 5% to 10%, and the possible reduction of fuel subsidies for the high-income group, among others, are anticipated to influence consumers' spending behaviours across all income categories.
- High-income households are expected to experience pressure, as the recently proposed HVGT and subsidy reforms will likely affect their consumption expenditure. Meanwhile, middle-income individuals are expected to face challenges with their household consumption expenditure, as this group does not qualify for government subsidies to alleviate the pressure of higher living costs. On the other hand, low-income households are set to benefit from the numerous subsidies allocated by the government, thus sustaining demand for staple foods and retail sales from this group.

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2.2.4 Retail Performance**2.2.4.1 Malaysia Retail Trade Sector Sales Value****Figure 2.2b: Malaysia Retail Trade Sector Sales Value, 2016 — 2024^p**

Source: DOSM

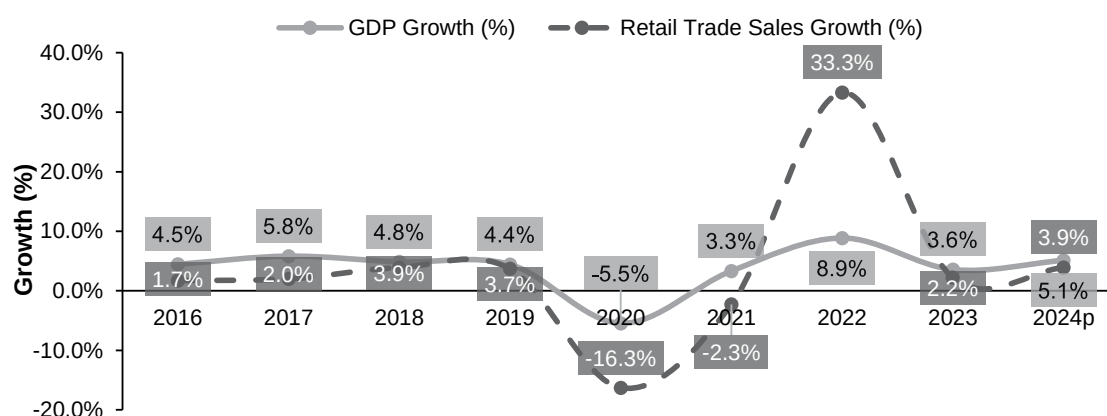
- According to DOSM, Malaysia's total retail trade sales value reached RM764.9 billion in 2024, the highest value achieved since 2016.
- Over the recent years, Malaysia's retail trade sector achieved a CAGR of 8.3% from 2016 to 2024. During this period, the country's sales value increased from RM403.8 billion in 2016 to RM764.9 billion in 2024.
- The Twelfth Malaysia Plan (2021 – 2025) aims to achieve a 5.0% annual growth rate for the country's GDP throughout the plan's five-year period. This growth target focuses on the wholesale and retail trade, F&B, and accommodation segments within the services sector. By focusing on these segments, the Twelfth Malaysia Plan aims to create a more dynamic and resilient services sector that can drive sustainable economic growth. The plan outlines comprehensive measures to enhance productivity, competitiveness, and innovation, ensuring these industries can contribute significantly to the nation's GDP and provide employment opportunities. Despite the challenges faced by the retail sector, through targeted investments, policy support, and strategic initiatives, Malaysia is poised to achieve its economic objectives and improve the quality of life for its citizens through the twelfth Malaysia Plan.

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2.2.4.2 Malaysia Retailers' Sales Growth

Figure 2.2c: Malaysia Retailers' Sales Growth and GDP Growth, 2016 – 2024^P

Source: Malaysia Retailers Association (MRA)

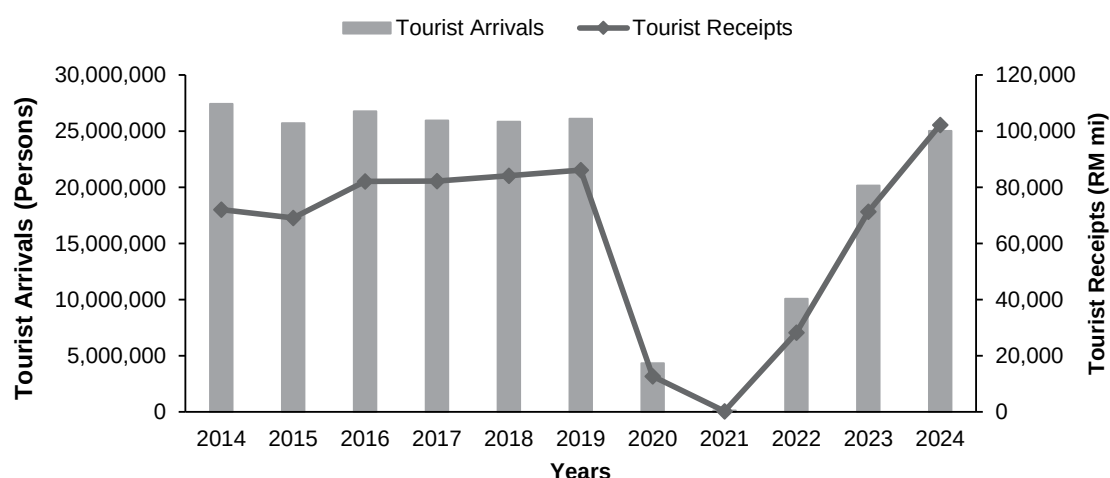
Note: The retail trade sales growth for 2024 is estimated at 3.9%.

- Since 2016, Malaysia's retail sales growth rate, as reported by the Malaysia Retailers Association, has consistently lagged behind the nation's GDP growth rate, with one notable exception in 2022, when retail sales grew by 33.3%. This remarkable sales performance was driven by the momentum generated from the reopening of retail businesses after the lockdowns during the pandemic years of 2020 and 2021.

2.3 Tourism Indicators

2.3.1 Tourist Arrivals and Receipts

Figure 2.3a: Malaysia Tourist Arrivals & Tourist Receipts, 2014 – 2024



Source: Tourism Malaysia

- Tourist arrivals and receipts showed a consistent uptrend from 2015 to 2019 until the outbreak of the COVID-19 pandemic, leading to the implementation of the MCO in Malaysia on March 18, 2020. The country's

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lockdown had significantly impacted tourism activities in 2020, with tourist arrivals dropping by 83.4% and tourist receipts by 85.3% in 2020 compared to 2019.

- In 2021, tourist arrivals and receipts reached the lowest record over the years, dropping by 96.9% and 98.1%, respectively. This drastic decline was primarily due to the closure of international borders, which restricted the movement of travellers. Nevertheless, a small number of tourists were permitted to visit Malaysia for essential purposes such as medical treatment, education, business, and visits by foreign spouses married to Malaysian citizens.
- Since the reopening of the international border on April 1, 2022, tourist arrivals and receipts have shown a significant increase, with 10,070,964 tourist arrivals and RM28,228 million in receipts recorded for 2022.
- As of 2024, there was an improvement in tourist arrivals, which increased by 24.2%, from 20,141,846 in 2023 to 25,016,698 persons. Simultaneously, tourist receipts also rose by 43.4%, from RM71,309 million to RM102,233 million during the same period.

According to Hong Leong Investment Bank Research, Malaysia's travel volumes remain at 48% of 2019 levels, suggesting significant potential for recovery. Moving forward, Malaysia aims to achieve 31.4 million foreign tourist arrivals in 2025 with a total tourist receipt of RM125.5 billion. This ambitious target is supported by a significant budget allocation of RM550 million under the Malaysian Budget 2025 for tourism promotion activities, alongside the budget allocated for maintaining and restoring tourism hotspots. The momentum of tourist promotion activities will be extended to the year 2026, when Malaysia has reinstated 2026 as the Visit Malaysia Year. To further boost tourist arrival, 30 days of VISA-free entry has been offered to visitors from India and China, starting 1 December 2023. New flight routes and increased frequencies are expected to facilitate higher tourist arrivals.

For a longer stay period, the revised Malaysia My Second Home (MM2H) requirement has seen positive feedback and sentiment from the industry. It is expected to contribute to tourism activities in Malaysia. The revised MM2H program allows foreign nationals from countries with diplomatic ties to Malaysia to apply for long-term residency. Applicants must be at least 25 years old and submit applications through licensed MM2H operators. There are three categories with varying financial and residency requirements:

- Platinum Category requires a USD 1 million fixed deposit (FD), a one-time RM200,000 participation fee, and the purchase of a residence valued at RM 2 million or more. A 20-year MM2H pass is issued, renewable every five years, with a minimum stay of 90 days annually.
- Gold Category requires a USD 500,000 FD, a RM3,000 participation fee, and a residence purchase valued at RM 1 million or more. The participant receives a 15-year MM2H pass.
- Silver Category requires a USD 150,000 FD, a RM1,000 participation fee, and a residence valued at RM600,000. A 5-year MM2H pass is granted.

Additionally, in order to support the development of special economic/financial zone in Malaysia, a special condition for the MM2H programme has been introduced. Under this special condition for MM2H programme in the Special Economic/Financial Zones, applicants are required to have a FD worth USD 65,000 for those aged 21-49 and USD 32,000 for applicants aged 50 and above. A RM1,000 participating fee is payable by applicants, and they are required to make direct purchases of residences from developers with a threshold value determined by the state authority where the special economic/financial zone is located. A 10-year MM2H pass will be issued to the successful applicants. The participants will be required for at least 90 days of annual cumulative stay in Malaysia.

All categories allow 50% FD withdrawal for specific purposes like housing, education, and medical treatment. Nevertheless, there is a 10-year restriction on selling the purchased residence, except for upgrading to a higher-value residence. In addition, dependents, including spouses, children, and parents, are allowed under certain conditions. Each MM2H pass is renewable, and failure to comply with any terms may result in revocation. Participants must undergo mandatory medical check-ups, and offshore income requirements have been removed compared to the previous, more stringent version of the MM2H requirement. Following the

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implementation of the revised version of the MM2H programme, the number of visitors on a long-term stay basis is expected to increase, which will have a positive impact on retail activities.

2.3.2 Components of Tourist Expenditure

Table 2.3a: Breakdown of Tourist Expenditure, 2018 - 2023

Items	2018		2019		2020		2021		2022		2023	
	RM million	%	RM million	%	RM million	%	RM million	%	RM million	%	RM million	%
Accommodation	21,622.7	25.7	20,674.4	24.0	2,964.7	23.4	145.0	60.7	4,714.1	16.8	13,406.0	18.8
F&B	11,274.1	13.4	11,457.1	13.3	1,862.7	14.6			4,403.6	15.8	10,625.0	14.9
Local Transportation	5,132.2	6.1	6,546.9	7.6	920.5	7.3	6.1	2.5	1,157.4	4.2	4,563.7	6.4
International Airfares	3,786.1	4.5	4,221.0	4.9	577.3	4.5	71.1	29.8	2,032.4	7.3	6,631.7	9.3
Organised Tour	3,701.9	4.4	5,427.0	6.3	602.4	4.7	n.a.	n.a.	705.7	2.5	3,137.6	4.4
Shopping	28,101.2	33.4	28,944.2	33.6	4,488.9	35.4	16.5	6.9	10,755.0	38.6	24,173.6	33.9
Entertainment	3,028.9	3.6	2,928.9	3.4	564.7	4.5			1,129.1	4.1	2,638.4	3.7
Medical	2,860.6	3.4	2,928.9	3.4	351.4	2.8			1,213.8	4.4	3,494.1	4.9
Domestic Airfares	2,524.1	3.0	2,239.7	2.6	175.7	1.4			254.1	0.9	1,640.1	2.3
Fuel	588.9	0.7	258.4	0.3	22.8	0.2			310.5	1.1	713.1	1.0
Sports	252.4	0.3	172.3	0.2	0.0	0.0			84.7	0.3	71.3	0.1
Others	1,262.0	1.5	344.6	0.4	167.6	1.3			1,100.9	4.0	213.9	0.3
TOTAL	84,135.1	100.0	86,143.4	100.0	12,688.7	100.0	238.7	100.0	27,861.3	100.0	71,308.5	100.0

Source: Tourism Malaysia

- Tourist expenditure in 2023 was primarily allocated to Shopping (33.9%), with Accommodation (18.8%) and F&B (14.9%) being secondary priorities. Shopping has become increasingly significant in terms of total expenditure breakdown by tourists, rising from 33.4% (RM28,101 million) breakdown of total tourist expenditure in 2018 to 38.6% breakdown (RM10,755 million) in 2022.

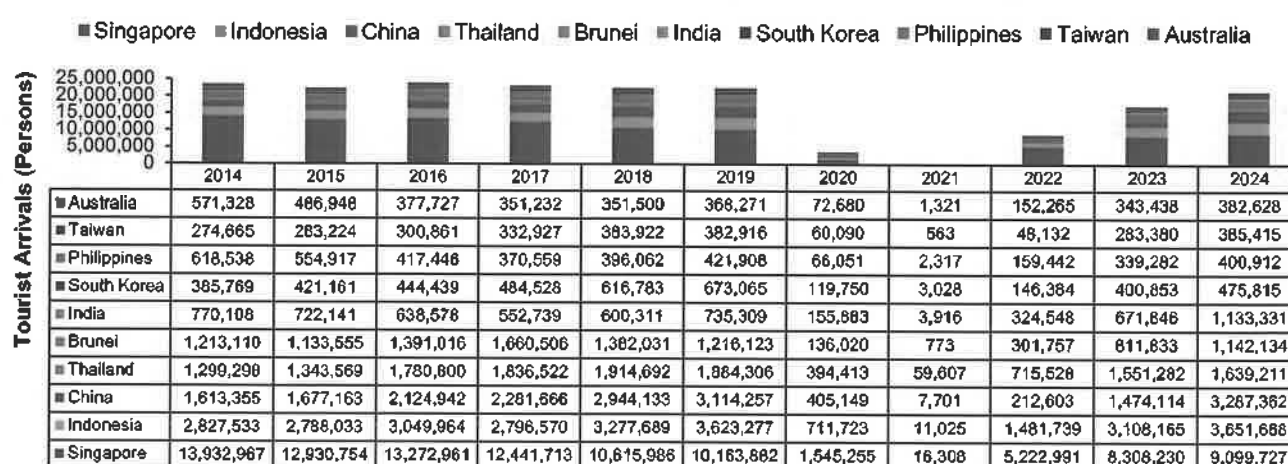
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2.3.3 Tourist Arrivals by Country of Origin

Figures 2.3b: Tourist Arrivals from the Top 10 Origin Countries to Malaysia, 2014 – 2024



Source: Tourism Malaysia

- As of 2024, Singaporeans topped the list of tourists to Malaysia, with a total of 9,099,727 arrivals, accounting for 36.4% of total international arrivals. They were followed by tourists from Indonesia, totalling 3,651,668 (14.6%); China, with 3,287,362 (13.1%); Thailand, with 1,639,211 (6.6%); Brunei, with 1,142,134 (4.6%); India, with 1,133,331 (4.5%); South Korea, with 475,815 (1.9%); the Philippines, with 400,912 (1.6%); Taiwan, with 385,415 (1.5%); and Australia, with 382,628 (1.5%).

2.4 Federal Government Initiatives

The inauguration of Malaysia's 10th Prime Minister and the establishment of his unity government led to the introduction of the Malaysia MADANI Economy policy framework. This framework has been the cornerstone for all subsequent government policies and initiatives. Consequently, federal-level government initiatives aim to expand and diversify the nation's economy, reorienting it towards positioning Malaysia as a prominent player in the Asian economy and ultimately improving the people's quality of life. The following includes summaries of key policies and frameworks relevant to the property, retail, and household income sectors of the country.

- MADANI Economy Framework:** This national policy was introduced on 27th July 2023, which prioritises six major components, namely sustainability, care and compassion, respect, innovation, prosperity, and trust. Key objectives under this framework include:
 - To restructure the nation's economy by regionalising the country's local businesses and elevating national competitiveness.
 - Promote social justice to guarantee equal opportunities, a decent standard of living and social protection for all demographic groups in the country.

This framework's economic vision will be implemented alongside the following policies and initiatives:

- Twelfth Malaysia Plan (12MP) Mid-Term Review (MTR):** The 12MP MTR was tabled by the 10th Prime Minister to assess the achievements of the 12MP (2021-2025) during its two initial years (2021-2022), and to determine its goals and objectives for the subsequent three years (2023-2025). These objectives align with the policy's three focus areas, namely, propelling the country towards sustainability, prosperity, and achieving high-income status, which aligns with the aspirations of the MADANI economy policy.

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- **New Industrial Masterplan (NIMP) 2030:** Launched on 1st September 2023, NIMP 2030 outlines a 7-year industrial policy for the manufacturing and manufacturing-related services sector. To achieve the goals and targets of NIMP 2030, 4 key missions have been identified: to advance economic complexity, to tech up for a digitally vibrant nation, to push for Net Zero, and to safeguard economic security and inclusivity. Ultimately, NIMP 2030 aims to spur economic growth and enhance resilience amid emerging challenges and megatrends, as outlined by the core components of the MADANI Economy framework.
- **National Energy Transition Roadmap (NETR):** This initiative was developed by the Ministry of Economy to accelerate the country's energy transition efforts and to fundamentally transform Malaysia's economy and livelihoods for a stronger and more resilient future. NETR has developed the Responsible Transition (RT) Pathway 2050 to shift Malaysia's energy systems from a conventional fossil fuel-based economy to a high-value green economy. This reinforces Malaysia's commitment to net-zero emissions as early as 2050.
- **Malaysia Budget 2025:** The most recent budget, announced on 18 October 2024, centres around three key principles: restructuring the economy, driving changes, and fostering prosperity among the people. Essentially, the third Malaysian Budget under the Madani Economy Framework aims to advance the nation's economy by implementing strong reforms, reducing bureaucratic inefficiencies, increasing incomes and wages, and addressing the rising cost of living, all with the goal of alleviating systemic poverty and inequality.
- **Malaysia Budget 2024:** This budget was unveiled on 13 October 2023 and introduced a strategic roadmap under the Madani Economy Framework. The initiatives outlined in this budget were segregated into three focus areas: good governance for service agility, restructuring of the economy to boost growth and raising the people's standard of living. Overall, the Budget 2024 seeks to elevate the country and people's socioeconomic status.
- **Malaysia Budget 2023:** Revised on 24th February 2023, the national budget 2023 was the first budget tabled by the 10th Prime Minister's unity government, setting the course for the Malaysia MADANI Development framework. This budget's measures will be centred on three main themes: inclusive and sustainable economic growth, institutional reforms and good governance to restore confidence, and combating inequality through social justice.

Table 2.4a details the initiatives introduced by the government in policies, frameworks, and annual national budgets, especially initiatives related to the property, retail, and household income segments.

Table 2.4a: Federal Government Initiatives

Initiatives	Descriptions
E-commerce	
Digitalisation of business operations	• To support business owners in the digital age, the government provides various initiatives to encourage digitalisation efforts and facilitate technology adoption to expand their market reach. • These initiatives include efforts to strengthen the role of the Digital Economy Centre (PEDi) to assist small entrepreneurs in acquiring ICT and e-commerce expertise. • Additionally, there is an allocation of RM100 million under the Small Medium Enterprise (SME) Digitalisation Grant Scheme, including small hawkers. Through this scheme, SMEs can receive grants of up to RM5,000 upon subscribing to business digitalisation applications such as electronic point of sales (ePOS) systems, accounting software, or inventory management systems.
Property Purchases	
Encouraging first-home ownership	• The Government will provide up to RM10 billion in guarantees for the Housing Credit Guarantee Scheme (HCGS) under the Malaysia Budget 2025, benefiting 20,000 borrowers.

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Initiatives	Descriptions
	• Additionally, individual income tax relief of up to RM7,000 will be provided for residential homes priced up to RM500,000, and up to RM5,000 for homes priced between RM500,000 and RM750,000. This is expected to benefit the mid-range residential market in 2025. • Stamp duty exemption will be provided for first-time home buyers, applicable to houses valued at RM500,000 and below until the end of 2025.
Reduce property speculation	• To regulate property prices, the Government plans to implement a flat rate stamp duty of 4% on the transfer of land ownership documents by non-citizens and foreign-owned companies, except for individuals holding permanent residency status in Malaysia.
Household Income	
To enhance income security	• The Government will raise the monthly salary ceiling for Social Security Organisation (SOCSO) contributions from RM5,000 to RM6,000, resulting in a 20.2% increase in cash benefits. • The Employees Provident Fund (EPF) members' accounts will be restructured to strengthen retirement savings. The new EPF Flexible Account (Account 3) has been introduced (starting 11th May 2024) to provide members with accessibility at any time. It allows hassle-free withdrawal of RM250 daily (minimum RM50 withdrawal. Any withdrawal involving an amount more than RM250 will require a further identity verification process. • The limit for EPF voluntary contributions will be raised from RM60,000 to RM100,000. • Allocation of RM30 million to extend the i-Saraan programme in 2023. • The scope of tax relief for life insurance premiums or life takaful contributions, now up to RM3,000, will be expanded to include voluntary EPF contributions. The Government has allocated RM1 billion to contribute RM500 to EPF members aged between 40 and 54 years old with EPF savings of less than RM10,000. • The Malaysia Budget 2025 announced an increase in the minimum wage from RM 1,500 per month to RM 1,700 per month, effective 1st February 2025. • Additionally, the Budget 2025 allocated RM200 million for the Progressive Wage Policy piloted in June 2024 to reform the labour market with the goal of increasing workers' incomes, which will be fully enforced in 2025. • An allocation of RM250 million for the People's Income Initiative (IPR) to provide assistance to the hardcore poor and B40 groups, helping them generate additional income sustainably through various targeted programmes. • Allocation of RM150 million to fund the increase in the Government's matching incentive rate for the i-Saraan programme from 15% to 20% of the total annual contribution of individuals, with a maximum annual matching incentive limit of RM500 or RM5,000 for a lifetime. • The National Budget 2025 also announced the mandatory EPF contribution for non-citizen employees. For those with new employment contracts, the contribution rates will start at 11% for employees and 12% or 13% for employers. Meanwhile, non-citizen employees with existing contracts will begin at 2% for both parties, gradually increasing over six years to match the standard rates for Malaysian employees.

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Initiatives	Descriptions
Increased job opportunities	- NIMP 2030 targets a total investment of up to RM95 billion, creating 3.3 million job opportunities with monthly median salaries up to RM4,510 by 2030. - The Government will allocate up to 10% of the total NIMP investment as a catalyst to accelerate the NIMP mission with a 2024 startup fund, amounting to RM200 million. - To combat youth unemployment, GLCs will offer 35,000 career opportunities to school leavers and graduates. - Allocation of RM6.8 billion for Technical and Vocational Education and Training (TVET) education. - RM1.6 billion is allocated to the Human Resources Development Corporation (HRD Corp) to facilitate the training of 1.7 million workers.
Promote entrepreneurship and upskilling	- To support hawkers and small business owners, the Government will allocate RM50 million to construct and upgrade 3,000 stalls and kiosks at strategic locations nationwide. - Government agencies will continue to offer various financing facilities and guarantees, totalling up to RM40 billion, for the benefit of MSME entrepreneurs. - Micro-entrepreneurs and small businesses will gain access to financing through agencies such as Bank Negara Malaysia (BNM), BSN, and TEKUN, with available funds amounting to RM1.7 billion. - The Syarikat Jaminan Pembiayaan Perniagaan (SJPP) will provide guarantees for SME loans of up to RM20 billion, with government guarantees of up to 90% for key sectors like high technology, agriculture, and manufacturing. Guarantees will extend to financing from non-banking financial institutions such as credit leasing companies and cooperatives, specifically benefiting small businesses. - The Government further encourages youth to enhance their capabilities and skills for better income prospects. To facilitate this, it will cover up to RM4,000 in training fees for gig workers participating in micro-credentials upskilling programs. - Additionally, SOCSO will offer an allowance of RM300 for three months as replacement income to active gig workers undergoing training programs. Overall, RM40 million is allocated to benefit 30,000 gig workers. - The Malaysia Budget 2025 allocated RM10 million for the Buy Malaysian Goods Campaign (KBBM). An additional RM 8.7 million is allocated for Enhanced Franchise Development Programme (EFDP) to boost exports (RM2.7million) and fund the Be Your Own Boss Project (RM6 million). - An allocation of RM 40 billion will be made to provide loans and financing guarantees for MSMEs, supporting micro-entrepreneurs, small traders, low-income entrepreneurs. This initiative also seeks to encourage women and youth to venture into businesses and will continue to assist SMEs in key sectors such as halal, high technology, ESG and tourism through the SJPP scheme.
Consumer Expenditure	

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Initiatives	Descriptions
Minimise cost of living	- The Government is committed to providing subsidies, assistance, and incentives to support households through the introduction of the Payung Rahmah initiative to ensure the affordability of staple items and food for low-income households. One such initiative is the Rahmah Menu Campaign, offering lunch and dinner sets priced at RM5, which was implemented on 31st January 2023. - The Malaysia Budget 2025 allocated RM13 billion under the Sumbangan Tunai Rahmah (STR) and Sumbangan Asas and Rahmah (SARA) schemes. These programs will provide cash assistance of up to RM100 per month to 5.4 million STR recipients in the household and senior citizen categories. The maximum amount for households with a monthly income of RM5,000 or less is increased to RM4,600, while recipients in the singles category (ages 21 to 59, with a monthly income of RM2,500 or less) are eligible for cash assistance of up to RM600. - Furthermore, the National Budget 2025 allocated RM300 million for the continuation of the Payung RAHMAH initiative, which includes the Jualan Malaysia 2025 and Jualan Mega Rahmah programmes. Jualan Rahmah will be expanded to provide essential goods at affordable prices in all state constituencies (DUN) every month. - Additionally, RM700 million has been allocated to implement the price control programme in cooperation with supermarket entrepreneurs, wholesale markets, retail stores, farmers' markets, cooperatives and others. - An allocation of RM40 million is also designated for the continuation of the Electricity Bill Rebate Programme, providing up to RM40 per month for households classified as hardcore poor.
Services sector taxes	- Effective from 1st March 2024, Malaysia's Service Tax rate increased from 6% to 8%, as detailed in the country's 2024 Budget. However, to alleviate the financial burden on citizens, this increase excludes specific services such as food and beverages, as well as telecommunications. Additionally, the Government has broadened the range of taxable services to encompass logistics, brokerage, underwriting, and karaoke services. - The government will introduce the High-Value Goods Tax at a rate ranging from 5% to 10% on selected high-value items like jewellery and watches, depending on the threshold value of the goods. - Tourists will enjoy an exemption from the High-Value Goods Tax. Regulations will be implemented to enable tourists to claim tax refunds before their departure.
Promote Economic Growth and Real Estate Investment	
Other related initiatives	- Capital gains tax exemption will be granted on the disposal of shares related to specific activities, such as approved Initial Public Offerings (IPOs), internal restructuring, and investments in venture capital companies, subject to specified conditions. - Property transfer documents involving beneficiaries relinquishing their rights to eligible beneficiaries through wills, inheritance, or the Distribution Act 1958 will now incur a stamp duty of RM10 instead of the previous ad-valorem rate. - The Malaysia Budget 2025 allocated RM100million for the Program Perumahan Rakyat (PPR), supporting the Federal Government's efforts to launch 23 new affordable housing projects. - Additionally, under the Malaysia Budget 2025, RM464 million has been allocated to refurbish rural housing under the Skim Pembangunan Kesejahteraan Rakyat, while RM200 million has been set aside for the maintenance of low and medium-cost public strata housing projects nationwide.

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Initiatives	Descriptions
	• The government has also agreed to relax the existing conditions for the Malaysia My Second Home (MM2H) program to attract more tourists and foreign investors to Malaysia. This improvement to MM2H is expected to increase investment activities in the Malaysian financial market and the country's real estate industry. • The Malaysia Budget 2025 announced the government's initiative to establish Invest Malaysia Facilitation Centre-Johor (IMFC-J) to expedite approval processes including advisory services to reduce bureaucracy in facilitating investments in the Johor-Singapore Special Economic Zone (JS-SEZ).

Source: Malaysia Budget 2025, Malaysia Budget 2024, Malaysia Budget 2023, New Industrial Masterplan (NIMP) 2030

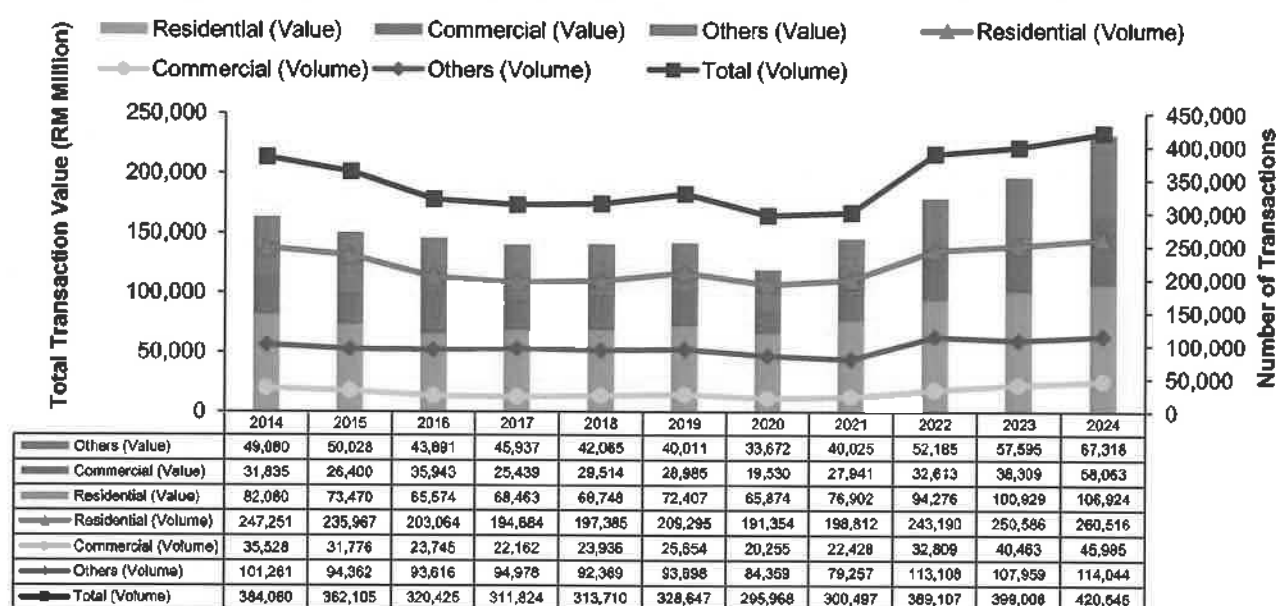
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2.5 Performance of the Real Estate Market

Figure 2.5a: Malaysia Property Transaction Volume and Value, 2014 - 2024



Source: National Property Information Centre (NAPIC)

Note: Others include industrial, agricultural and development land.

- In 2024, the total transaction volume and value across all sectors in Malaysia reached their highest point in recent 10-year period, with 420,545 units being transacted, accounting for total transaction value of RM232,305 million.
- In 2024, the total transaction volume across all sectors increased by 5.4% from 399,008 units in 2023. Simultaneously, the total transaction value saw a significant increase of 18.0% compared to RM196,833 million in the previous year.
- In the commercial sector, the transaction volume rose by 13.6% from 40,463 units in 2023 to 45,985 units in 2024 while the transaction value represented a substantial increase of 51.6% from RM38,309 million to RM58,063 million during the same period.
- Furthermore, the residential sector remained the largest component in 2024, with 260,516 housing units transacted at RM106,924 million. Compared to the previous year, which recorded 250,586 housing units at RM100,929 million, the transaction volume increased by 4.0%, while the transaction value rose by 5.9%.
- Despite global economic challenges, Malaysia's real estate sector is anticipated to sustain its recovery momentum. This is attributed to the ongoing government support for real estate development through the MADANI Budget 2025. The optimistic trajectory of the property market, spurred by Budget 2025 initiatives, aligns with the brighter economic prospects forecasted for 2025 compared to 2024.

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3.0 Selangor Economic and Property Market Overview

3.1 Economic Overview

Table 3.1a: Selangor Economic Overview, 2015 – 2023

Key Indicators	CAGR ¹	2015	2016	2017	2018	2019	2020	2021	2022	2023
Real GDP at Constant 2015 Prices (RM million)	5.3%	268,825	281,839	302,186	323,215	345,008	326,805	344,103	385,159	406,071
Real GDP Growth (%)	-	n.a.	4.8%	7.2%	7.0%	6.7%	-5.3%	5.3%	11.9%	5.4%
GDP per Capita at Current Prices (RM)	4.6%	43,513	45,506	49,048	51,547	55,030	48,591	52,054	59,794	62,492
Real GDP by Economic Activity (%)										
Services	-	61.0%	61.7%	61.6%	62.0%	62.1%	61.2%	59.7%	60.6%	61.0%
Manufacturing	-	28.1%	27.9%	28.1%	28.2%	27.8%	29.1%	31.2%	30.4%	29.4%
Agriculture	-	1.5%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.3%	1.1%
Others	-	9.4%	9.0%	8.9%	8.4%	8.7%	8.2%	7.6%	7.7%	8.4%
Population (person)	1.9%	6,178,000	6,291,500	6,380,700	6,475,000	6,506,100	6,994,400	7,014,700	7,050,300	7,209,700
Population Density (Per km ²)	-	779	793	803	814	818	880	883	888	908
Employment										
Labour Force ('000 person)	2.7%	3,212.9	3,325.0	3,457.5	3,546.3	3,592.9	3,602.7	3,676.9	3,731.9	3,967.6
Employed ('000 person)	2.6%	3,135.0	3,217.6	3,359.4	3,446.7	3,489.5	3,446.5	3,516.5	3,597.6	3,858.9
Unemployment Rate (%)	-	2.4%	3.2%	2.8%	2.8%	2.9%	4.3%	4.3%	3.6%	2.7%
Monthly Household Income	4.4%	-	9,463	-	-	10,827	-	-	12,233	-
Urbanisation Rate ²	-	-	-	-	-	-	95.8%	-	-	-
Male to Female Ratio	-	52 : 48	52 : 48	52 : 48	52 : 48	52 : 48	53 : 47	53 : 47	53 : 47	53 : 47
Ethnicity (%)										
Bumiputera	-	58.7%	59.0%	59.3%	59.7%	60.0%	60.6%	60.9%	61.2%	61.4%
Chinese	-	27.6%	27.4%	27.2%	26.9%	26.7%	27.3%	27.1%	26.9%	26.7%
Indian	-	12.9%	12.8%	12.7%	12.6%	12.4%	11.3%	11.2%	11.1%	11.1%
Others	-	0.8%	0.8%	0.8%	0.8%	0.9%	0.8%	0.8%	0.8%	0.8%
Age Structure										
Median Age	-	28.9	29.3	29.7	30.1	30.6	31.6	32.1	32.6	32.9
0 - 14 years	-	23.9%	23.7%	23.5%	23.4%	23.2%	22.2%	21.8%	21.5%	21.3%
15 - 64 years	-	71.7%	71.7%	71.7%	71.6%	71.5%	70.9%	71.0%	71.0%	71.0%
65 years and above	-	4.4%	4.6%	4.8%	5.0%	5.3%	6.9%	7.2%	7.5%	7.7%

Source: DOSM

Note: ¹CAGR applies from the earliest to the latest available data²Latest available information from Census 2020

- Selangor maintained its position as the highest contributor to Malaysia's overall GDP value, with 25.9% of the share in 2023. This surpasses the Twelfth Malaysia Plan's forecast of a 23.6% contribution share to Malaysia's overall GDP by 2025.
- Selangor's GDP performance has steadily maintained an upward trend since 2015, achieving a CAGR of 5.3%. Since the unprecedented COVID-19 pandemic years (2020 – 2021), economic activities in the state have rebounded positively in the post-pandemic years. Notably, Selangor's GDP recorded an annual growth rate of 11.9% in 2022 and 5.4% in 2023.
- As of 2023, Selangor's population reached 7,209,700 individuals. The state accounted for 21.6% of Malaysia's total population, with an average population density of 908 persons per square kilometre.
- In 2023, Selangor's unemployment rate stood at 2.7%, lower than Malaysia's rate of 3.4% for the same year. The state experienced a notable annual decline in unemployment, with a decrease of 25.0% from the 3.6% recorded in 2022. This improvement aligns with the Selangor state government's initiatives to provide various

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job opportunities and upskilling programmes, mainly targeting youth unemployment. Overall, Selangor's labour force accounted for 24.2% of the country's total labour force in 2023.

3.2 State Government Policies and Initiatives

The Selangor state government introduced the following policies and initiatives, with the key highlights including incentives that affect the property, retail, consumer, and household income segments in Selangor.

I. Selangor State Budget 2025

The Selangor state government tabled an expansionary budget for 2025, with a total allocation of RM3 billion, reflecting an 18.6% annual growth rate as compared to its 2024 budget. Notable initiatives related to the property sector and other infrastructure improvement initiatives are as follows:

- An allocation of RM10 million has been designated for the Tabung Penyelesaian Strata to address homeownership issues affecting property values and assets. The state government estimates that RM100 million will be required over the next decade to resolve issues within the entire strata scheme identified across Selangor.
- The Selangor government has allocated RM20 million to enhance public transport, including expanding the Demand Responsive Transit (DRT) and optimising Smart Selangor Bus services. Additionally, RM1 million is allocated for the Selangor Mobility Master Plan Study to develop a more integrated transport system.

In addition, notable incentives tailored for the service sector are as follows:

- Allocation of RM20 million for investment promotion, supporting participation in international events such as World Expo 2025 (Osaka), Selangor International Business Summit (SIBS), and Selangor Aviation Show (SAS) to attract global investors.
- The budget includes RM2 million for the Dana Usahawan Madani Selangor (DUMS), which aims to support micro-businesses across the state.
- A total of RM1 million has been allocated for entrepreneurship training programmes, helping to enhance business skills and capabilities.
- Another RM1 million has been set aside for domestic and international market promotion, ensuring that local businesses can expand their reach.
- The state has also allocated RM5 million to support small and medium enterprises (SMEs) through the PLATS Selangor platform, which provides resources and funding opportunities.

II. Rancangan Selangor Pertama (RS-1)

- Launched in 2022, Rancangan Selangor Pertama (RS-1) aims to address both the immediate needs of the state and to ensure its future resilience, aiming to make it a Smart, Livable, and Prosperous State by 2025.
- **RS-1 is structured around four strategic themes (ST):** strengthening the economy, enhancing social inclusivity and well-being, advancing sustainability, and smart and effective governance. These themes are supported by 25 focus areas or sectors, 51 strategies, and 261 designated projects, programs, and initiatives to be implemented over five years (2021 – 2025) in Selangor.

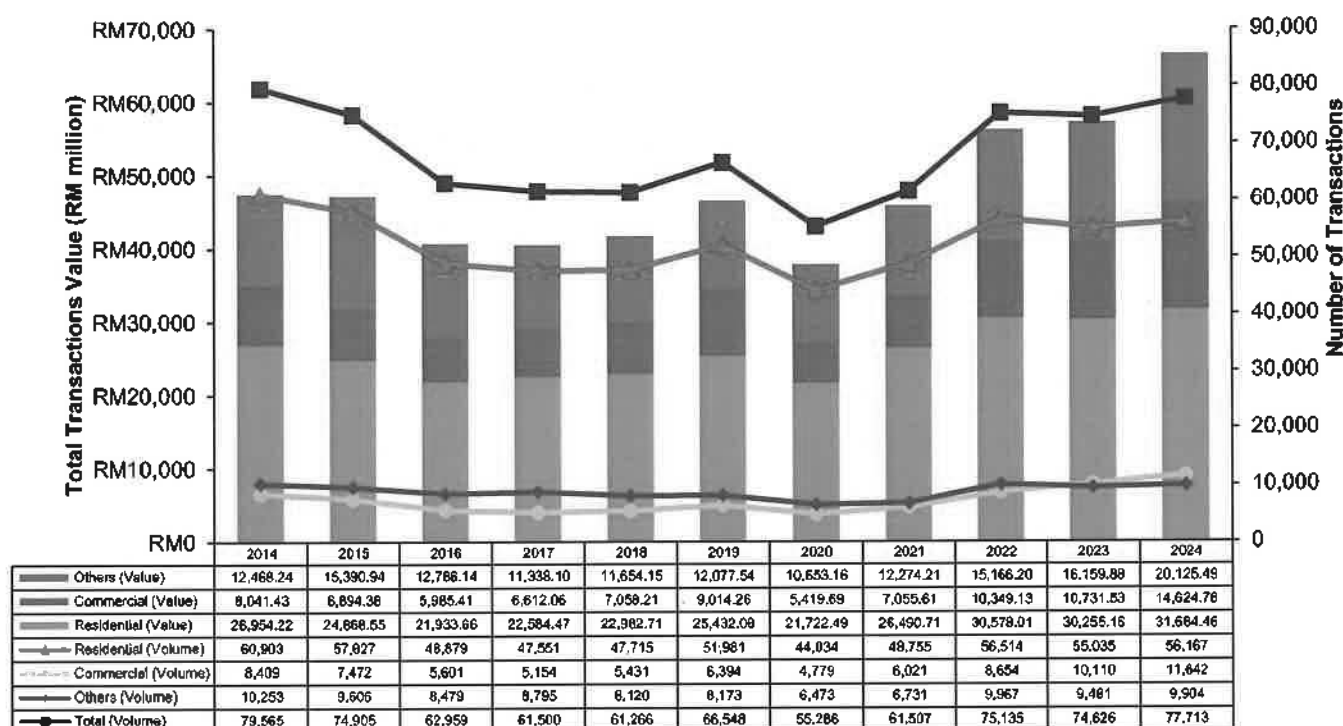
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3.3 Performance of Real Estate Market

Figure 3.3a: Selangor Property Transaction Volume and Value, 2014-2024



Source: NAPIC

Note: Others include industrial, agricultural and development land.

- In 2024, Selangor's real estate market recorded 77,713 transactions, amounting to a total value of RM66,434.73 million. Compared to 2023, which recorded 74,626 transactions valued at RM57,146.58 million, this marked a growth rate of 4.1% in volume and 16.3% in value. Overall, the total transaction value in 2024 was the highest achieved over the past decade (2014–2024).
- The commercial properties segment in Selangor noted 11,642 transactions for a total value of RM14,624.78 million in 2024. This was higher than 2023, which recorded 10,110 transactions amounting to RM10,731.53 million.
- Meanwhile, the state's residential sector witnessed a total of 56,167 transactions, totalling RM31,684.46 million in 2024. This indicated a growth in both transaction volume and value compared to 2023, which had 55,035 transactions valued at RM30,255.16 million.
- The improvement seen in property market activities during this period can be attributed to catalysts implemented via various government initiatives, especially those outlined in Malaysia's Budget 2024, as well as improvements in labour market conditions.

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4.0 Johor Economic and Property Market Overview

4.1 Economic Overview

Table 4.1a: Johor Economic Overview, 2015 – 2023

Key Indicators	CAGR ¹	2015	2016	2017	2018	2019	2020	2021	2022	2023
Real GDP at Constant 2015 Prices (RM million)	3.8%	110,002	116,662	123,561	130,586	134,226	128,074	131,243	142,370	148,205
Real GDP Growth (%)	-	n.a.	6.1%	5.9%	5.7%	2.8%	-4.6%	2.5%	8.5%	4.1%
GDP per Capita at Current Prices (RM)	4.1%	30,469	32,894	35,315	36,388	37,377	33,861	36,465	41,046	41,902
Real GDP by Economic Activity (%)										
Services	-	48.2%	48.2%	48.6%	49.3%	51.1%	51.9%	52.1%	53.3%	54.0%
Manufacturing	-	29.4%	29.2%	29.5%	29.4%	29.9%	30.2%	31.0%	30.2%	29.8%
Agriculture	-	14.2%	12.9%	13.1%	12.4%	12.2%	13.2%	12.9%	12.2%	11.6%
Others	-	8.2%	9.7%	8.8%	8.9%	6.8%	4.6%	4.0%	4.3%	4.6%
Population (person)	1.6%	3,610,300	3,651,800	3,697,000	3,749,400	3,761,200	4,009,700	4,020,000	4,028,300	4,107,200
Population Density (Per km ²)	-	189	191	193	196	196	209	210	210	214
Employment Labour Force ('000 person)	3.0%	1,633.2	1,639.1	1,671.7	1,745.1	1,805.7	1,840.6	1,835.0	1,881.4	2,071.3
Employed ('000 person)	3.1%	1,582.6	1,580.6	1,614.7	1,693.3	1,756.1	1,775.6	1,764.7	1,819.5	2,017.9
Unemployment Rate (%)	-	3.1%	3.6%	3.4%	3.0%	2.7%	3.5%	3.8%	3.3%	2.6%
Monthly Household Income	3.5%	-	6,928	-	-	8,013	-	-	8,517	-
Urbanisation Rate ²	-	-	-	-	-	-	77.4%	-	-	-
Male to Female Ratio	-	53 : 47	53 : 47	53 : 47	53 : 47	52 : 48	53 : 47	53 : 47	53 : 47	53 : 47
Ethnicity (%)										
Bumiputera	-	59.4%	59.6%	59.7%	60.0%	60.3%	60.1%	60.3%	60.6%	60.9%
Chinese	-	33.0%	32.6%	32.7%	32.4%	32.1%	32.8%	32.6%	32.4%	32.1%
Indian	-	7.1%	7.0%	7.0%	7.1%	7.0%	6.6%	6.6%	6.5%	6.5%
Others	-	0.5%	0.6%	0.6%	0.5%	0.6%	0.5%	0.5%	0.5%	0.5%
Age Structure										
Median Age	-	28.7	28.9	29.2	29.4	29.6	29.3	29.6	29.9	30.2
0 - 14 years	-	24.7%	24.3%	23.9%	23.6%	23.4%	23.9%	23.6%	23.1%	22.3%
15 - 64 years	-	69.0%	69.2%	69.4%	69.5%	69.4%	70.0%	70.0%	70.2%	70.7%
65 years and above	-	6.3%	6.5%	6.7%	6.9%	7.2%	6.1%	6.4%	6.7%	7.0%

Source: DOSM

Note: ¹CAGR applies from the earliest to the latest available data²Latest available information from Census 2020

- Johor's estimated GDP in 2023 reached its highest point in recent years, with a CAGR of 3.8% from 2015 to 2023. The GDP for Johor experienced a 4.1% increase from RM142,370 million in 2022 to RM148,205 million in 2023, measured at constant 2015 prices.
- Johor is presently ranked as Malaysia's third-largest economic contributor, following Selangor and Kuala Lumpur. It is also the second-largest contributor to national trade and contributes for 9.5% of the country's Gross Domestic Product (GDP). In 2023, Johor contributed 29% or RM753 billion to the country's total trade. According to RHB Investment, Johor's GDP growth surpassed Malaysia's by 4.1% in 2023, largely driven by the services and manufacturing sectors, which together made up 84% of Johor's GDP. Over the past five years, Johor's service sector has seen the fastest growth compared to other Malaysian states. Several

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economic and demographic factors are fuelling the service sector in Johor, particularly consumer spending and retail trade, which are supported by the rise of the middle class and the increase in per capita income. Additionally, the major ports such as Tanjung Pelepas Port (PTP) and Johor Port facilitate export and import activities in the state.

- As of 2023, Johor's population has reached 4,107,200, accounting for 12.3% of Malaysia's total population, with an average population density of 214 persons per square kilometre.
- The unemployment rate in Johor experienced a decrease of -21.2% from 3.3% in 2022 to 2.6% in 2023 and stands notably lower than the national level of 3.4% for the year 2023.

4.2 State Government Policies and Initiatives

There were some incentives announced to attract high-value investment and support the development of the Johor-Singapore Special Economic Zone (JSSEZ).

- 5% tax rate for a period of 15 years is granted to companies investing in qualifying manufacturing and services activities, such as those involving the artificial intelligence and quantum computing supply chain, medical devices and aerospace manufacturing.
- 15% personal income tax rate enjoyed by individual knowledge workers for 10 years.
- Reduction in entertainment duty by the Johor state government aims to boost tourism and leisure-related investments.

For the Special Financial Zone (SFZ), the following incentives and allowances will be given as listed below:

- Zero per cent corporate tax rate for family officers under the Single-Family Office Scheme.
- 5% corporate tax rate applied to financial global business services, financial technology, and foreign payment systems.
- 15% personal income tax rate enjoyed by individual knowledge workers.
- Special tax reduction is given for banking institutions, insurance companies, and capital market intermediaries on relocation costs, enhanced industrial building allowances, and withholding tax exemptions.

Furthermore, the Johor state government introduced the following policies and initiatives, with key highlights including incentives that impact investment, infrastructure, tourism, and labour segments in Johor.

Johor State Budget 2025

- Maximizing the benefits of the Johor-Singapore Special Economic Zone (JS-SEZ) and the Forest City Special Financial Zone (FC-SFZ). A total of RM 180 million has been allocated for upgrading the infrastructure of Bangunan Sultan Iskandar (BSI) and Kompleks Sultan Abu Bakar (KSAB).
- A total of RM 2.1 million has been allocated for the implementation of the Investment Promotion Mission and Strengthening Investment Networking.
- A total of RM 300,000 has been allocated to promote Johor as a premier investment destination by introducing the Invest Johor Transformation Initiative.
- A total of RM 100,000 has been allocated to implement the Integrated Collaboration Program with Industry and Policymakers to strengthen state investment policies and strategies.
- A total of RM 5 million has been allocated for Phase 2 of the Johor Zoo upgrading project.
- A total of RM 7 million has been allocated for the restoration works of the Muzium Tokoh.
- A total of RM 10 million has been allocated for the development of the Sungai Lebam Recreational Centre in Kota Tinggi.
- RM 300,000 has been allocated for upgrading tourism facilities at Pantai Seri Menanti, Muar.
- A total of RM 800,000 has been allocated for upgrading and constructing landmarks within the administrative area of Pontian district.

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- A total of RM 300,000 has also been allocated for the construction of a new recreational centre at Sungai Triang Besar, Mersing.
- A total of RM 200,000 has been allocated for upgrading the Kite Museum in Pasir Gudang.
- A total of RM 3.7 million has been allocated for the organization of international-level tourism events.
- A total of RM 7.2 million has been allocated for the implementation of various promotions and publicity for Visit Johor Year 2026.
- A total of RM 1 million has been allocated for upgrading facilities at the School of Hospitality and Tourism, Kolej Yayasan Pelajaran Johor (KYPJ).
- A total of RM 300,000 has been allocated for human resource training in the tourism sector, including the Nature Guide Course for National Parks.
- A total of RM 150,000 has been allocated for the development of the International Network for Sustainable Tourism Observatories (INSTO).
- A total of RM 812,000 has been allocated to promote Johor's arts and culture among the people, to be implemented through Yayasan Warisan Johor.
- Special Entertainment Duty Incentive for Theme Parks. The State Government has agreed to permanently reduce the entertainment duty rate for all theme parks to 5 percent starting January 1, 2025, down from the current rate of 25 percent.

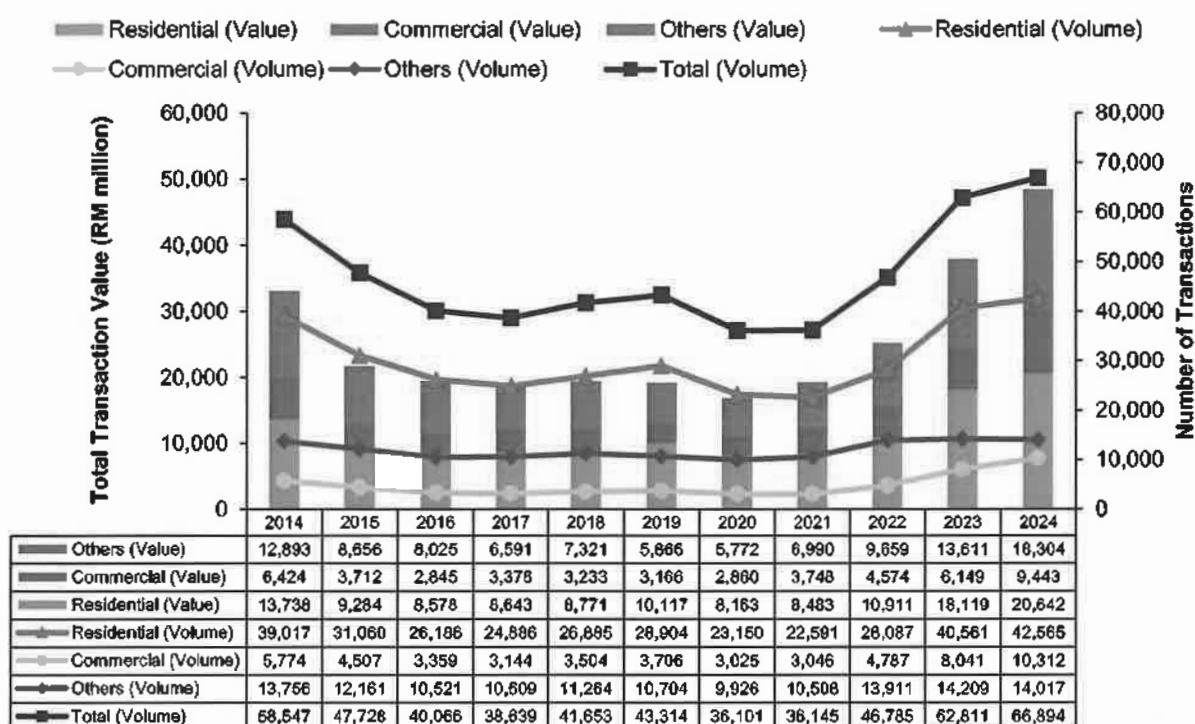
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4.3 Performance of Real Estate Market

Figure 4.3a: Johor Property Transaction Volume and Value, 2014 – 2024



Source: NAPIC

Note: Others include industrial, agricultural and development land.

- The Johor property market continued its uptrend in 2024, recording 66,894 transactions worth RM48,389 million, an increase of 6.5% in volume and 27.7% in value compared to 62,811 transactions worth RM37,880 million in 2023, setting a new historical record in total transaction volume and value across all sectors. This positive trend is driven by the Johor state government's initiatives, including the development of the RTS Link, the establishment of Forest City as a Special Financial Zone (SFZ), and the proposed Johor-Singapore Special Economic Zone, alongside the potential revival of the Kuala Lumpur-Singapore HSR.
- The residential sector remained the most significant component in 2024, with 42,565 housing units transacted at RM20,642 million, showing a 4.9% increase in total transaction volume and a 13.9% increase in total transaction value compared to 2023, which comprised 40,561 housing units transacted at RM18,119 million.
- For the commercial sector, the volume rose by 28.2% from 8,041 units in 2023 to 10,312 units in 2024, while the value increased by 53.6% from RM6,149 million to RM9,443 million during the same period.
- According to the Property Market Outlook Report 2024 by DataSense, Iskandar Puteri distinguishes itself by having the largest share of foreign demand, predominantly from Singaporean nationals and permanent residents. This robust demand is driven by the historic peak in property prices in Singapore. Additionally, according to Nikkei Asia, Malaysians who work in Singapore can afford to purchase properties in Johor due to the higher earning potential and stronger currency in Singapore compared to Malaysia.

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5.0 Overview of Retail Property Market

- In an era of rapid transformation and evolving consumer expectations, the global retail landscape redefines how businesses engage with shoppers. Trends such as the surge in e-commerce, the integration of advanced technology, and the shift toward experiential retail are reshaping the retail sector.
- Selangor has emerged as a key retail hub, attracting a diverse mix of brands and retailers expanding from the Kuala Lumpur retail market. This trend has been fueled by the state's rapid urbanisation, increasing population and strong economic growth. Retailers are expanding their presence in Selangor, establishing stores and shopping centres in strategic locations to capitalise on these favourable conditions.
- The recent completion of shopping malls in the country, particularly in Kuala Lumpur, has established a new benchmark for the retail sector. The new generation of malls comes complete with additional features and amenities, such as multi-purpose event halls, rooftop open spaces, and designated mobile apps to engage with visitors and enhance their shopping experience conveniently. These advancements reflect retailers' efforts to remain relevant and adapt to recent trends in the retail sector while boosting footfall. Notable examples include LaLaport at Bukit Bintang City Centre, featuring an event hall—Zepp KL, to host live music events, and The Exchange at Tun Razak Exchange (TRX), which offers a mobile app for mall visitors, Exchange Hall for events, and the 10-acre rooftop TRX City Park, promising shoppers an urban green oasis.
- Malaysia's retail sector is closely following this global transformation, undergoing significant changes that reflect the impact of the pandemic and the embrace of digital advancements. The retail sector is continuously adapting to address the shifting behaviours and preferences of consumers. This evolution is visible in various aspects of the retail experience, from online shopping to the diversification of in-person offerings.
- Retail brands have proliferated in Malaysia, substantially increasing the number and variety of brands over the past decade. This expansion is driven by domestic and international retailers recognising Malaysia's potential as a burgeoning consumer market. The growth of these brands provides shoppers with a broader range of choices and has led to a more competitive retail environment.
- Within the past decade, the retail scene in Malaysia, particularly Kuala Lumpur and Selangor, has experienced a significant transformation with the entry of international retailers from various regions, including Japan, China and Europe. Today, brands are more confident in expanding their presence to more than one mall within the same district, mainly attributed to the strong population growth and quality of malls that have entered the market within the past decade.
- Malls can be classified based on their formats and market positioning. In terms of positioning, malls can be categorised into three broad groups, i.e. mass-market malls, mid-market malls, and premium malls. These categories are defined as follows:
- **Premium malls:** Kuala Lumpur's rapid growth in both size and affluence has led to increased market segmentation, particularly at the upper end of the income spectrum. As the economy is expanding, there is also a growing segment of high-income earners. Today, a substantial high-income demographic and a steady influx of tourists provide strong support for premium malls such as Pavilion KL, Suria KLCC and The Gardens Mall.
- **Mid-market malls:** Mid-market malls are positioned in the middle-income group. Most of the larger malls offer a diverse range of retail options, which encompass everything offered by megamalls and regional malls. The bigger malls usually have a significant presence of established international brands and are anchored by departmental stores and supermarkets such as 1 Utama Shopping Centre, IOI City Mall and MyTOWN Shopping Centre.
- **Mass market malls:** Mass market malls cater to a broader range of shoppers but primarily focus on the mid to lower end of the market, emphasising affordability and accessibility. The appeal of mass-market malls lies in their price competitiveness and a wide variety of lesser-known or generic brands, such as Setia City Mall and Central i-City.
- Under the categories mentioned above, sub-categories that are defined by size and format as follows:

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- **Megamalls:** Megamalls are defined as malls with net lettable areas (NLA) exceeding one million sq ft. These include Mid Valley City (Mid Valley Megamall and The Gardens Mall), Pavilion Kuala Lumpur Mall, Suria KLCC, Sunway Pyramid and 1 Utama Shopping Centre.
 - **Regional malls:** Regional malls usually have NLA between 500,000 and 999,999 sq ft, which serves a broader catchment radius than neighbourhood malls, which serve a more immediate catchment. Retail offerings can be similar to megamalls, albeit on a slightly smaller scale, such as IOI Mall, Melawati Mall and Central I-City.
 - **Neighbourhood malls:** These malls are within 250,000 – 499,999 sq ft, usually serving an immediate neighbourhood with a primary catchment area of around 10 minutes' drive time. Trade mixes of neighbourhood malls generally focus on groceries, F&B, services and conveniences, mainly catering to the immediate catchment, such as Bangsar Shopping Centre, Main Place @ USJ21 and The Starling Mall.
 - **Lifestyle mall or retail podiums:** The evolution of retail podiums is observed to have increased over the years, ranging from 150,000 – 250,000 sq ft of retail space. Such malls are usually within a mixed development aimed towards the immediate catchment, such as Damansara City Mall and Megah Rise Mall.
- Bukit Tinggi Shopping Centre is a leading neighbourhood mall located in a mature township in Klang despite having a gross lettable area (GLA) of 1,000,950 sq ft. It is designed to serve the Klang community by offering a wide range of retail, dining, and entertainment options.
 - Paradigm Mall Petaling Jaya, a regional mall with 680,048 sq ft of NLA, caters to the mid-market and serves the surrounding residential and office communities in Petaling Jaya, Selangor.
 - Paradigm Mall Johor Bahru, a megamall with 1,292,956 sq ft of NLA, serves as a key retail and entertainment hub in the Iskandar Malaysia region.

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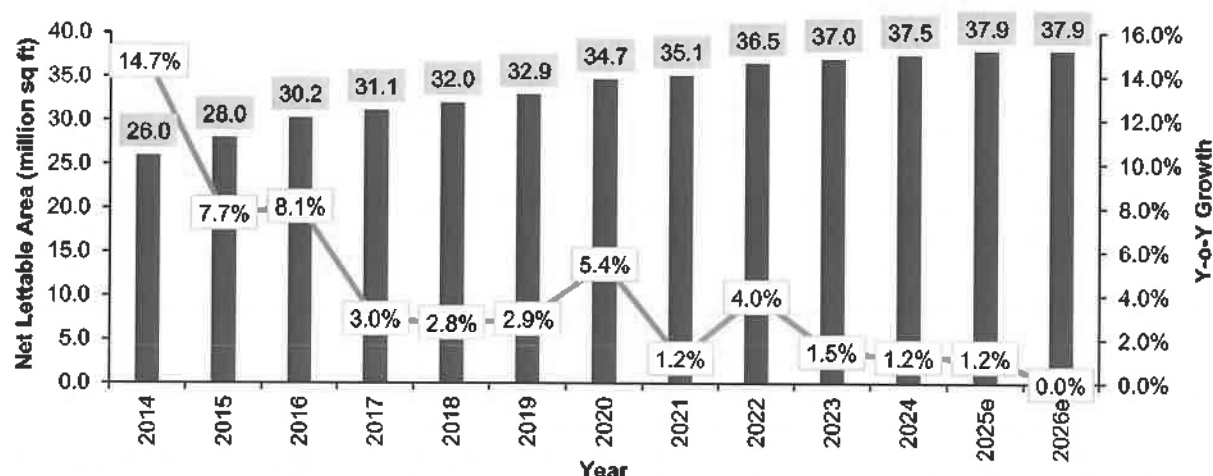


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6.0 Selangor Retail Property Market

6.1 Cumulative Supply

Figure 6.1a: Cumulative Retail Space Supply in Selangor*



Source: Savills Research

Note: e – Estimation

*This study is tailored to exclude hypermarkets

- As of 2024, the cumulative retail supply in Selangor stood at 37.5 million sq ft of NLA across 90 retail malls, with a yearly increase of 1.4%, from 37.0 million sq ft in 2023 due to new mall openings.
- Of this number, 74.4% are neighbourhood malls with less than 500,000 sq ft of NLA catering to serve its surrounding community.
- Whilst 23 malls are megamalls and regional malls, including IOI Mall, KSL Esplanade Mall, Klang Parade, Setia City Mall, Central I-City and The Curve.
- Since 2019, several major malls have opened, including IOI Mall Damansara (formerly known as Tropicana Gardens Mall) (1.0 million sq ft NLA), Setia City Mall Phase 2 extension (400,000 sq ft NLA), IOI City Mall 2 extension (1.0 million sq ft NLA) and KSL Esplanade Mall (650,000 sq ft NLA).
- Several existing megamalls in Selangor have been observed to be expanding over the past decade, driven by rising consumer demand and growing populations.
- Contributing to the increase in retail space is also the increasing number of retail podiums in Selangor from mixed-used developments, typically part of larger residential or commercial projects.
- New completions in 2024 include Elmina Lakeside Mall (200,000 sq ft) at Elmina City and 168 Park Mall (200,000 sq ft) at Selayang. The completion of Sunsuria Forum @ 7th Avenue (150,000 sq ft) in Setia Alam and Sunway SQ Mall in Bandar Sunway (300,000 sq ft), both set for 2025, will bring the cumulative retail space in Selangor to approximately 37.9 million sq ft by the end of 2026.

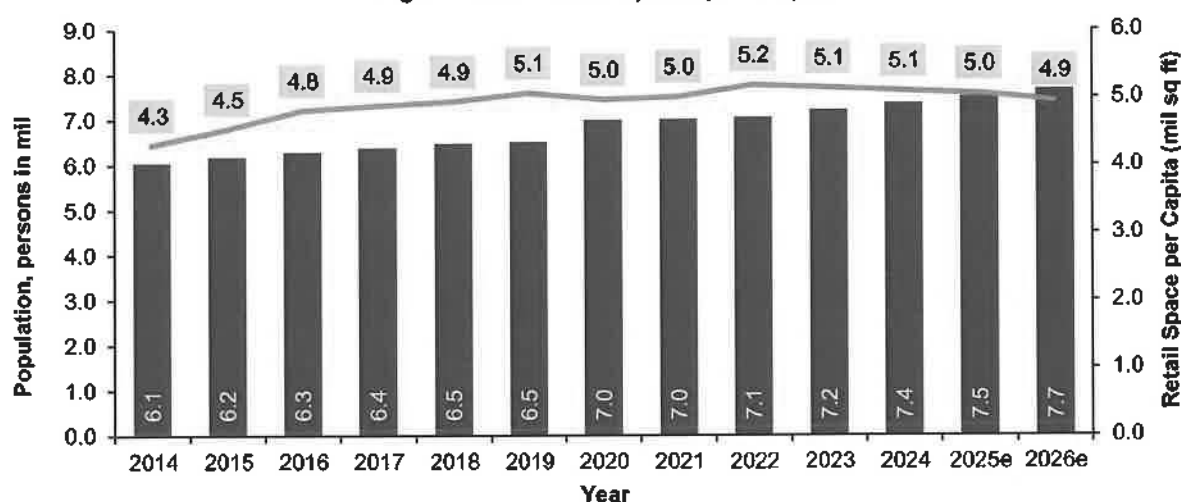
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6.2 Population and Retail Space Supply Per Capita

Figure 6.2a: Retail Space per Capita



Source: Savills Research, DOSM

Note: e – Estimation

- Selangor, the most populous state in Malaysia, has experienced dynamic growth in both its retail supply and population over the past decade. This growth, however, has not been evenly matched, resulting in notable shifts in retail space per capita.
- From 2014 to 2024, the cumulative retail supply in Selangor has expanded at a 3.7% CAGR, indicating economic vitality in Selangor. Significant developments have substantially increased retail space, including Setia City Mall Phase 2 (in 2021) and the expansion of IOI City Mall in 2022. The opening of IOI City Mall Phase 2 added approximately 1.0 million sq ft of NLA together. Along with other malls, such as Mitsui Outlet Phase 3, Setia Ecohill Walk and Megah Rise Mall, this contributed to a 4.0% y-o-y growth in retail space supply for that year.
- In contrast, the population in Selangor has grown at an annual average of 2.0% since 2014. By 2026, the population is projected to reach 7.7 million, assuming this growth rate continues.
- The mismatch between retail supply and population growth has led to a notable increase in retail space per capita. It increased from 4.3 sq ft per capita in 2014 to an estimated 5.1 sq ft per capita in 2024.
- However, the market is approaching a phase of slower expansion, with future projections indicating a decline in retail space per capita. By the end of 2024, the retail space per capita is estimated to be 5.1 sq ft, with an anticipated further decline to around 4.9 sq ft by the end of 2026 due to the absence of significant new retail supply.

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6.3 Future Supply of Malls

Table 6.3a: Future Supply of Malls in Selangor, 2025e

No.	Name of Mall	Location	Approx. Net Lettable Area (sq ft)	Expected Completion
1	Sunway SQ Mall	Bandar Sunway	300,000	Q3/2025e
2	Sunsuria Forum @ 7th Avenue	Setia Alam	150,000	Q3/2025e

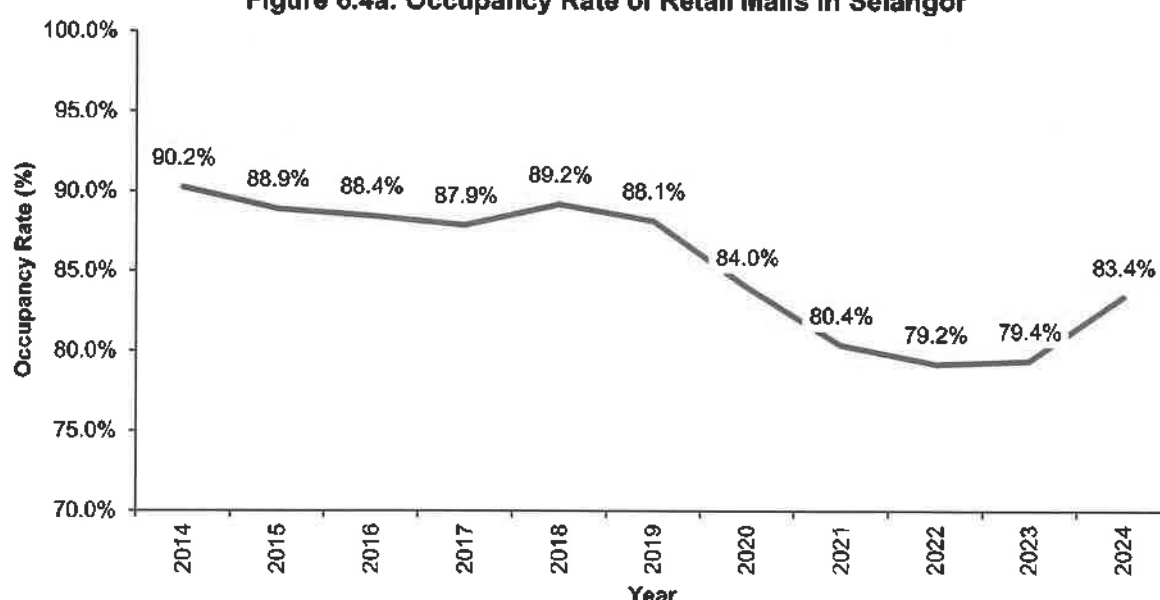
Source: Savills Research

Note: e – Estimation

- Years ago, malls in the pipeline were predominantly large-scale, ranging from 500,000 sq ft to over 1.0 million sq ft of NLA, reflecting a trend toward mega retail complexes. Now, with these megamalls fully established and serving extensive consumer bases, we are witnessing the results of those earlier developments.
- These mega complexes have become retail and entertainment destinations, suggesting that Selangor's retail landscape has matured. This maturity is paving the way for smaller, more community-focused malls that complement these existing megamalls.
- New completions in 2024 include Elmina Lakeside Mall (200,000 sq ft) and 168 Park Mall (200,000 sq ft). Meanwhile, Sunway SQ Mall (300,000 sq ft) and Sunsuria Forum @ 7th Avenue (150,000 sq ft) are scheduled to open in Q3/2025.

6.4 Occupancy Rate Trends

Figure 6.4a: Occupancy Rate of Retail Malls in Selangor



Source: Savills Research

- Selangor's average occupancy rate of malls was estimated at 83.4% as of 2024, an increase of 5.0%(y-o-y) from 79.4% in 2023.

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- Following the opening of new malls throughout the years, the average occupancy rate of retail malls in Selangor demonstrates an initial decline followed by a gradual recovery, suggesting a period of downturn followed by improvement. This indicates competition between malls in attracting quality tenants to serve the consumers. The rate has further declined since the onset of the COVID-19 pandemic, primarily due to the business restriction measures imposed during that period.
- Whilst megamalls in prime locations in Selangor have managed to maintain relatively stable occupancy rates by offering rent rebates to their tenants, malls in secondary locations were particularly hard hit by closures during the enforcement of MCO, resulting in a significant reduction in occupancy rate. The pandemic has primarily impacted neighbourhood malls that are mainly tenanted by local retailers, such as SACC Mall, Main Place @ USJ 21, Atria Shopping Gallery and Amerin Mall.
- Moving forward, the average occupancy rates have steadily risen, reflecting a resurgence in business confidence among retailers, particularly in regional and neighbourhood malls.
- Notably, key retailers from Kuala Lumpur have also been observed expanding into Selangor, indicating a cross-pollination of retail brands between the two regions, showing a more vibrant retail scene compared to the pre-pandemic era.
- An increasing average occupancy rate in the retail market is a positive sign, indicating a healthier and more vibrant market.

6.4.1 Factors Influencing Retail Demand

- **Growth in population:** The rising consumer demands and greater disposable income have allowed the retail industry to grow and prosper. According to DOSM, Selangor's population is projected to reach 8.0 million by 2035. This will be the most significant factor fuelling the retail demand over the next decade.
- **Increase in number of employments:** An increase in the employment rate will result in spending power growth. As of 2024, Selangor had one of the lowest unemployment rates nationwide at 1.7%, according to DOSM, reflecting strong consumer confidence in retail spending.
- **Government initiatives to support household spending:** The government initiated an incentive through cash transfers to targeted groups, special appreciation in terms of aid for civil servants and pensioners, and e-wallet incentives. The growing social commerce trend is expected to boost private consumption. The retail trade segments are expected to increase in line with consumption trends.
- **Tourism sector:** Tourism Malaysia recorded 25.0 million tourist arrivals in 2024, reflecting a 24.2% increase from 20.1 million in 2023. Higher tourist arrivals resulted in greater tourist expenditure, as evidenced by a 43.4% rise in tourist receipts, from RM71.3 billion in 2023 to RM102.2 billion in 2024. A good industry sector is an immediate booster of retail demand.
- **Rise of integrated development:** The inclination towards integrated development has risen significantly. The introduction and extension of mass rapid transit (MRT) has spurred the expansion of transit-oriented developments (TODs). The idea of integrated development to have shopping amenities on the same premises without driving out had remarkably affected the retail demand.
- **GDP Growth:** Malaysia's GDP grew by 5.1% in 2024 (2023: 3.6%). As GDP increases, consumer confidence strengthens, leading to higher disposable income and a greater propensity for discretionary spending. This positive economic sentiment encourages more frequent purchases, supporting the growth of the retail industry.

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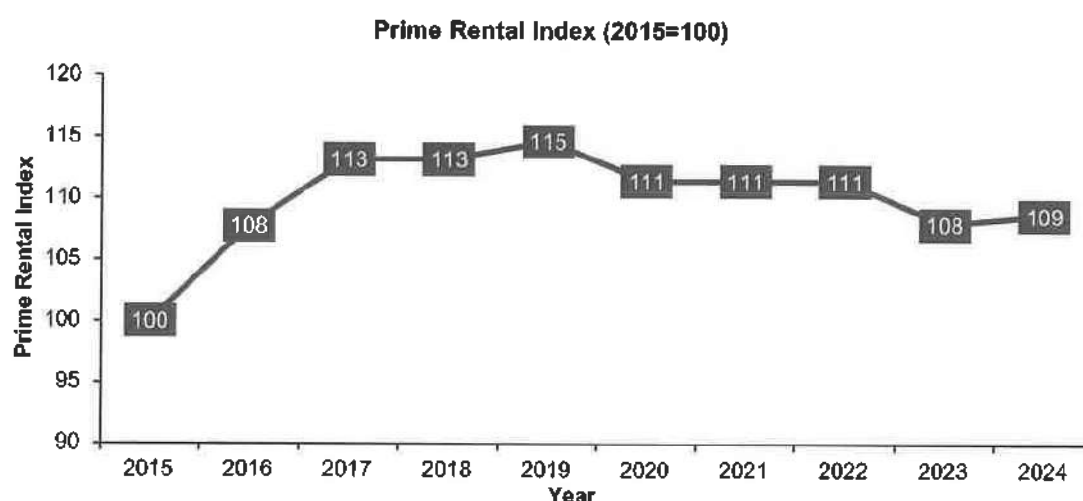


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6.5 Rents

- Prime Malls in Kuala Lumpur City Centre command significantly higher rents compared to those in suburban areas. The top performing malls in the Kuala Lumpur city centre and the Golden Triangle have consistently led the Greater Kuala Lumpur (GKL) retail market, particularly for the ground floor rental, from as low as RM19.80 per sq ft to as high as RM200.00 per sq ft.
- The prime rental index for the six prime malls in GKL is detailed in Figure 6.5a below, highlighting key rental trends and performance across these top retail locations.

Figure 6.5a: Prime Rental Index in GKL



Source: Savills Research

- Prime rent is defined as the average rental rate per month for retail lots located on the ground or concourse floor, receiving the highest level of traffic within the mall.
- From 2015 to 2019, prime rents saw a consistent upward trend, with notable increases in 2016 and 2017, as reflected by the rental index. By 2018, the rental index had stabilised before it grew modestly to 115 index points in 2019, supported by steady consumer demand.
- The trend shifted in 2020 when prime rents began to decline, remaining stagnant over the next three years. This was mainly due to the dual impact of the COVID-19 pandemic and the opening of several new malls, which led to reduced tenant movement and limited leasing activity during 2020 to 2022.
- Nevertheless, the prime rent index declined to 109 index points in 2024. The growing competition among malls, particularly megamalls and existing underperforming malls with low occupancy rates, has contributed to downward pressure on rental prices.
- Moving forward, prime rents are expected to improve as the economy recovers gradually. Increased footfall from local shoppers and international tourists will play a key role in this recovery.
- Additionally, the active brand expansions and the competition for premium retail spaces will further drive rents upward as retailers seek to secure prime locations in high-footfall areas.

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6.6 Major Retail Property Transactions in Selangor

Table 6.6a: Retail Property Transactions in Selangor

Shopping mall	Location	Year	NLA (million sq ft)	Consideration		Purchaser
				RM million	RM psf	
Selangor						
IOI Mall Damansara <i>(formerly known as Tropicana Gardens Mall)</i>	Petaling Jaya	2024	1.1	680	1,027	IOI Properties Group Bhd
Dpulze Shopping Centre**	Cyberjaya	2024	0.3	320	648	KIP REIT
Plaza Alam Sentral	Shah Alam	2023	0.4	178	406	Selangor State Development Corporation
Empire City Mall*	Petaling Jaya	2021	1.7	180	-	Rubberex Corporation (M) Bhd
Ampang Point Mall	Ampang	2020	0.3	300	1,200	Nadin Holdings Sdn Bhd
SS2 Mall (vacated building)	Petaling Jaya	2018	0.5	180	391	DK-MY Properties Sdn Bhd
BMC Mall <i>(formerly known as AEON Mahkota Cheras Shopping Centre)</i>	Bandar Mahkota Cheras	2017	0.2	87.8	415	Foremost Wealth Management Sdn Bhd
NU Empire <i>(formerly known as Empire Shopping Gallery)</i>	Subang Jaya	2017	0.4	570	1,629	Pelaburan Hartanah Berhad (PHB)
Da Men Mall	Subang Jaya	2016	0.4	480	1,000	Pavilion REIT
3 Damansara Mall <i>(formerly known as Tropicana City Mall)</i>	Petaling Jaya	2015	0.4	540	1,205	CapitaLand Malaysia Trust <i>(formerly known as Capitaland Malaysia Mall Trust)</i>

Note: *Rubberex Corporation (M) Bhd acquired a 20% stake in Empire City Mall in Petaling Jaya for RM180 million cash

**The acquisition is expected to be completed in 2025, subject to the fulfilment of the conditions precedent of the sale and purchase agreement.

Source: Savills Research

- In 2024, two notable transactions took place in Selangor's retail market. The first involved Dpulze Shopping Centre in Cyberjaya with a NLA of 300,000 sq ft, which KIP REIT purchased for RM320 million. The second transaction was Tropicana Gardens Mall, which IOI Properties Group Berhad acquired at a higher price of RM1,027 per sq ft for its substantial 1.1 million sq ft NLA, the mall is now known as IOI Mall Damansara.
- Over the years, several significant retail transactions have shaped the retail market in Selangor. In 2023, Plaza Alam Sentral was sold to Selangor State Development Corporation for a consideration of RM178 million, with a NLA of 400,000 sq ft. A notable transaction occurred in 2021 when Rubberex Corporation (M) Berhad ventured into property investment with a strategic 20% stake in the ongoing development of Empire City Mall. This bold move, amounting to RM180 million, marked Rubberex Corporation's entry into the property investment sector.
- A year earlier, in 2020, another significant deal took place. Nadin Holdings Sdn Bhd made headlines with its acquisition of Ampang Point Mall. This approximately 300,000 sq ft of retail space, previously owned by

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Purple Boulevard Berhad, was purchased for a substantial RM300 million. Ampang Point Mall is a key landmark in its area.

- DK-MY Properties Sdn Bhd acquired the suburban shopping centre, SS2 Mall, in 2018 for an estimated RM180 million with a NLA of approximately 460,000 sq ft from AsiaMalls Sdn Bhd.
- In 2017, the retail property market witnessed two noteworthy transactions. AEON Co (M) Bhd sold BMC Mall (formerly known as AEON Mahkota Cheras Shopping Centre) to Foremost Wealth Management Sdn Bhd for RM87.8 million, signalling AEON's strategic portfolio realignment. On the other hand, Mammoth Empire sold the Empire Shopping Gallery to Pelaburan Hartanah Berhad for RM570 million with an NLA of 370,000 sq ft spread across five levels, the mall is now known as NU Empire.
- The trend of strategic acquisitions dates back even further, involving REITs. In 2015, CapitaLand Malaysia Trust acquired Tropicana City Mall, now known as 3 Damansara. This acquisition allowed CapitaLand Malaysia Trust to penetrate the Petaling Jaya retail market. The following year, Pavilion REIT expanded its reach by acquiring Da Men Mall in Subang Jaya, aiming to capitalise on the mall's prime location and potential for growth.

6.7 Selangor Retail Market Snapshot and Outlook

- Selangor is the combination of nine district areas that include the District of Gombak, District of Hulu Langat, District of Hulu Selangor, District of Klang, District of Kuala Langat, District of Kuala Selangor, District Petaling, District of Sabak Bernam and District of Sepang. As of 2024, Selangor's population stood at over 7.4 million people, making it the most populous state in Malaysia.
- As of 2024, the cumulative supply of retail space in Selangor stands at 37.5 million sq ft.
- In 2023, KSL Esplanade Mall was opened with an NLA of 650,000 sq ft. In 2022, several major malls opened, including the extension of Mitsui Outlet Park KLIA Phase 3 (75,000 sq ft), an extension of IOI City Mall (1.0 million sq ft), Setia Eco Hill Walk (170,000 sq ft) and Megah Rise Mall (142,000 sq ft).
- Two new malls opened in 2024, namely Elmina Lakeside Mall and 168 Park Mall. Sunsuria Forum @ 7th Avenue and Sunway SQ Mall are expected to open in 2025.
- The overall occupancy rate (83.4%) in Selangor rose by 5.0% y-o-y in 2024, indicating a recovery from the drop-in occupancy rates experienced during the pandemic. This gradual increase is a sign that the retail sector in Selangor is rebounding, reflecting improved business confidence and consumer activity.
- The general sentiment in the market is expected to be softer this year, as it is affected by the rising cost of living. Retailers are holding onto a cautiously optimistic outlook after witnessing a strong start in total retail sales in 2023, then saw a change in momentum in the drop in total retail sales.
- In contrast, the opening of The Exchange TRX in KL City has proved that the Malaysian market holds huge potential for international brands to enter and expand. This expansion of brands in KL City is expected to create an overspill effect in the Selangor market, further driving regional demand and development.
- The improvement in public transport and the construction of The Light Rail Transit 3 (LRT 3) will benefit over two million residents in the Klang Valley, especially from Petaling Jaya to Klang. The LRT3, which starts in Bandar Utama and ends in Johan Setia, is expected to begin its operations on September 30, 2025.

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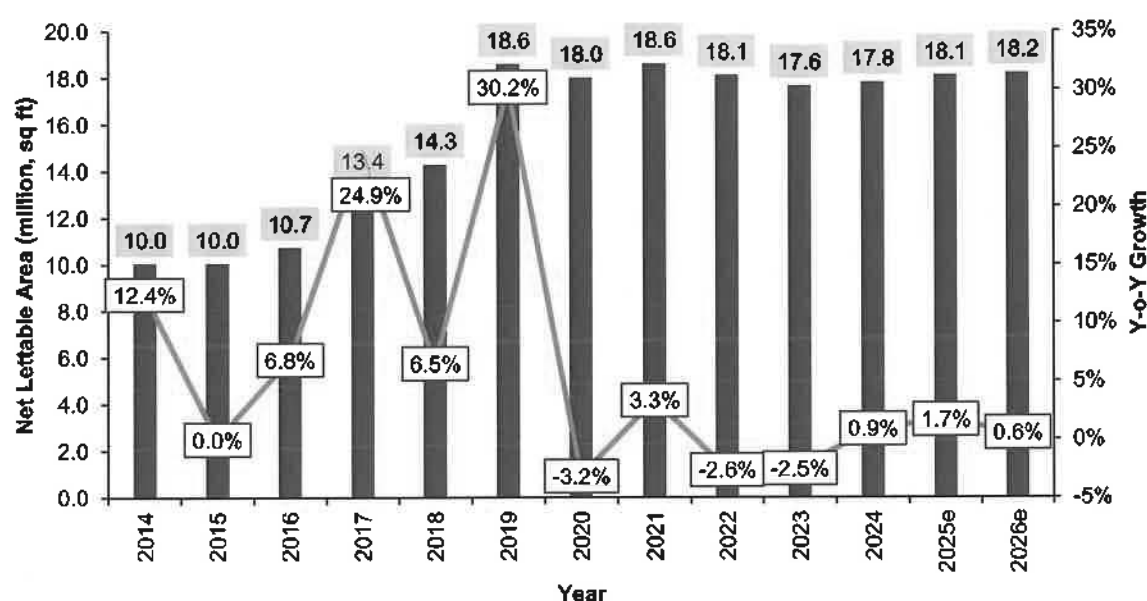


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7.0 Iskandar Malaysia Retail Property Market

7.1 Cumulative Supply

Figure 7.1a: Cumulative Supply of Retail Space in Iskandar Malaysia*



Source: Savills Research

Note: e – Estimation

*This study is tailored to exclude hypermarkets

- Iskandar Malaysia's retail supply recorded a cumulative supply of about 17.8 million sq ft in 2024. Historically, retail spaces experienced a slightly stagnant or muted supply after 2019.
- The year 2017 recorded an increase of 24.9% in the cumulative supply of retail space in Iskandar Malaysia following the opening of Paradigm Mall Johor Bahru, which offers a NLA of 1,292,956 sq ft.
- The retail space in Iskandar Malaysia increased drastically in 2019 by 30.2% with the completion of five malls, of which two are megamalls, i.e. Mid Valley Southkey (1.5 million sq ft NLA) and Toppen Shopping Mall (1.1 million sq ft NLA).
- After the opening of three megamalls in the region, the pace of supply growth was slow. This can be attributed to the absorption of retail space as megamalls begin to establish their presence.
- It is noticeable that the upcoming supply of retail spaces has shifted towards smaller retail spaces below 150,000 sq ft of NLA, primarily within a mixed development, aiming to serve the immediate neighbourhood.
- The supply of retail space in Iskandar Malaysia experienced a drop in y-o-y growth of -3% in the years 2020, 2022 and 2023 as a result of the closure of Capital City Mall in 2020, Today's Mall in 2022 and Skudai Parade in 2023, with no new supply recorded since 2021.
- As of 2024, there are a total of 45 significant retail malls identified, of which approximately 24.4% are located in Johor Bahru City Centre (JBCC) with an accumulated NLA of 4.5 million sq ft, whilst approximately 75.6% are within suburban areas with an accumulated NLA of 13.3 million sq ft. The total accumulated NLA for all malls is 17.8 million sq ft.
- Two upcoming retail malls coming within the next two years are SKS Mall JBCC (280,000 sq ft) and Horizon Mall (150,000 sq ft).

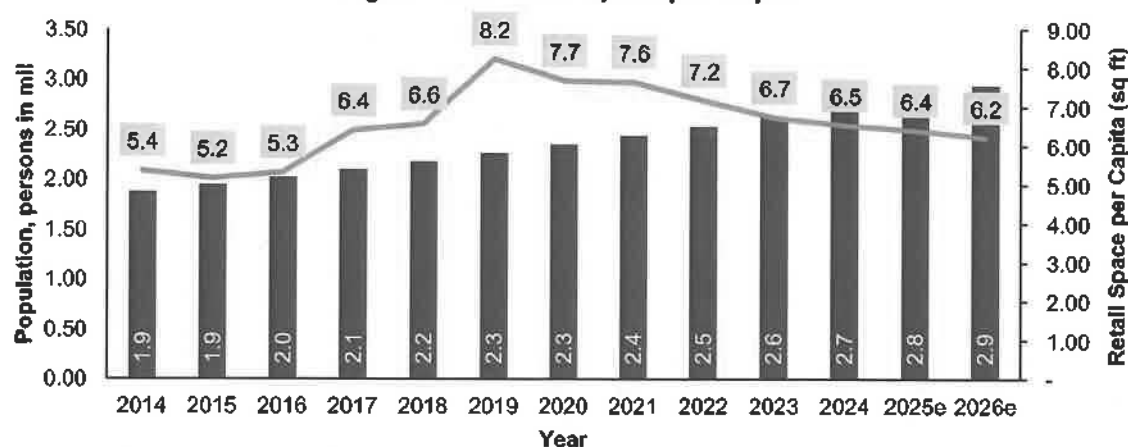
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7.2 Population and Retail Space Supply Per Capita

Figure 7.2a: Retail Space per Capita



Source: Savills Research, DOSM
 Note: e – Estimation

- Iskandar Malaysia has experienced substantial growth at 3.8% per annum in its population since 2014. The population is projected to reach approximately 2.9 million by 2026, creating a robust market for real estate and retail sectors.
- In 2019, Iskandar Malaysia recorded a substantial increase in retail space per capita, which reached 8.2 sq ft due to the opening of several major malls, including R&F Mall, Mid Valley Southkey, Toppen Shopping Mall and Sunway Big Box Village. Further expansion continued in 2020, with an additional 400,000 sq ft of NLA injected into the supply, which includes D'Pristine Mall, Puteri Cove Quayside, The Meridin Walk, Meridin @ Medini Phase 1 and Phase 2.
- However, retail space per capita decreased to 6.5 sq ft in 2024. It is forecasted to drop further to 6.2 sq ft by 2026, attributed to slower growth in retail space supply. This reduction in supply is expected to drive demand for existing retail malls, supporting higher occupancy rates and more stable rental incomes in Iskandar Malaysia.

7.3 Future Supply of Malls

Table 7.3a: Future Malls in Iskandar Malaysia, 2025 – 2028e

No.	Name of Mall	Location	Approx. Net Lettable Area (sq ft)	Expected Completion
1.	SKS City Mall JBCC	Johor Bharu	280,000	Q4/2025
2.	Horizon Mall	Johor Bharu	150,000	2026e*
3.	Proposed mall in Coronation Square	Johor Bharu	1.2 million	2028e*
4.	Proposed mall in W City Larkinton Johor Bahru	Johor Bharu	Under planning	Under planning

Source: Savills Research

Note: e – Estimation

*The exact opening date is unavailable.

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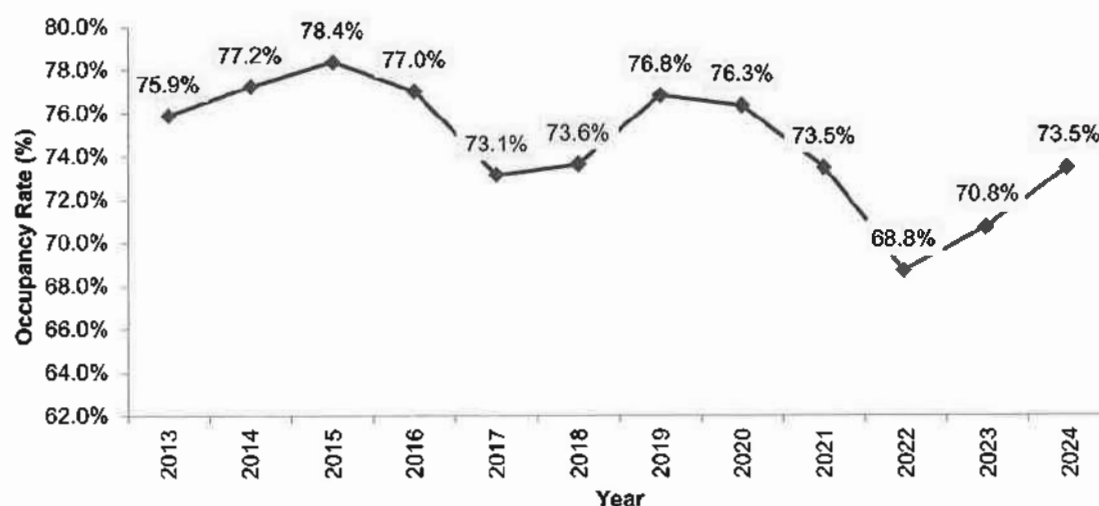
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- The future supply of retail space in Iskandar Malaysia is limited compared to previous years, with The Commune Lifestyle Mall in Kulai completed in Q3/2024 and two malls—SKS City Mall JBCC (280,000 sq ft) and Horizon Mall (150,000 sq ft)—expected to be operational as of 2026.
- The COVID-19 pandemic has caused a pause in planned shopping mall developments as developers reassess their strategies in response to changing market dynamics.
- However, two proposed malls are being planned in Johor Bahru city, i.e. Coronation Square and W City Larkinton Johor Bahru.
 - Coronation Square, covering 6.4 acres, will feature a mall with 1.2 million sq ft retail space across seven levels. It is located near the upcoming Johor Bahru-Singapore RTS link, CIQ Complex and Johor Bahru Sentral.
 - W City Larkinton Johor Bahru, developed by WCT Land, spans 68 acres and will include residential components, a retail mall, a convention centre, office and hotel blocks. However, details on the proposed retail mall have not yet been confirmed.
- Additionally, some abandoned malls are identified in the Johor Bahru area, including Danga City Mall (500,000 sq ft), Waterfront City (380,000 sq ft) and Pacific Mall Johor Bahru (370,000 sq ft). These malls have no sign of revitalisation except Pacific Mall Johor Bahru, which is being revamped into SKS City Mall JBCC, scheduled for completion in 2025.

7.4 Occupancy Rate Trends

Figure 7.4a: Occupancy Rate of Retail Malls in Iskandar Malaysia



Source: Savills Research, NAPIC

- The average occupancy rate of malls in Iskandar Malaysia was 73.5% as of 2024, an improvement of 2.7% from 70.8% in 2023.
- The retail sector in Iskandar Malaysia faced significant challenges during the pandemic and MCO, primarily due to its reliance on local retailers, including mom-and-pop stores, rather than international or big-brand retailers.

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- The localised nature of the retail landscape meant that many local retailers struggled to survive the economic downturn caused by the pandemic. This led to a high rate of store closures due to financial difficulties, particularly in meeting rental obligations.
- The closure of international borders has also stopped shoppers from Singaporean shoppers, who contribute a considerable share in retail sales.
- The retail market in Iskandar Malaysia is slowly approaching recovery after hitting its lowest point in 2022 at 68.8%, the weakest throughout 12 years as tenant movements are seen to be intensely active.
- Mid Valley Southkey Mall, Johor Bahru City Square and AEON Mall Tebrau City have welcomed several brands to expand their business and new set-ups. Notable tenants include Decathlon, which opened its first outlet outside Klang Valley in Toppen Shopping Centre in January 2023 and has continued its brand expansion to other locations such as Johor Bahru City Square.
- Looking ahead, the retail market in Iskandar Malaysia is poised to regain momentum with the return of both local and international visitors, especially Singaporeans.

7.4.1 Factors Influencing Retail Demand

- **Currency Exchange Rate Against SGD:** The favourable currency exchange rate against the Singapore Dollar (SGD) incentivises Singaporean shoppers to cross the border into Johor Bahru for shopping, leading to increased retail demand and footfall in the city's shopping districts and malls.
- **Increase in Service Tax on Selected Services:** The rise in the service tax rate from 6% to 8% on certain services could affect consumer behaviour and retail demand. This increase may lead to higher operational costs for retailers, as retailers incur more significant expenses for services necessary for their operations, potentially impacting consumer spending patterns and preferences.
- **Johor as a Booming State, FDI Magnet and SEZ hub:** Johor's status as a rapidly growing state and a magnet for Foreign Direct Investment (FDI) attracts industrial players and high-net-worth individuals (HNIs) to the region. This drives higher disposable income and retail demand for luxury goods, upscale experiences, and premium services. The JS-SEZ and SFZ further strengthen Johor as an economic hub, attracting skilled talent, businesses, and financial institutions. These zones create jobs, boost spending, and accelerate economic growth, supported by the favourable exchange rate with Singapore.
- **Improved Connectivity and Infrastructure:** Following the upcoming RTS, retail activity in Johor will likely be spurred. It will benefit both the Iskandar Malaysia and Singapore retail markets. Despite massive traffic during public holidays and festivals, this is evidenced by the influx of Singapore shoppers and holidaymakers into Iskandar, Malaysia. The footfall is expected to increase, mainly in malls located a stone's throw from the upcoming Bukit Chagar RTS Station.
- **Consumer Confidence:** Consumer confidence in retail spending plays a crucial role in driving retail demand. Positive economic indicators, job stability, and optimism about the future encourage consumers to spend more freely, supporting retail businesses and stimulating growth in the retail sector.
- **Population Growth and Economic Activity:** Iskandar Malaysia's population growth, fueled by factors such as urbanisation, migration, and economic opportunities, directly correlates with increased business and economic activity in the region. As the population grows, so does the demand for goods and services, driving retail demand across various sectors, from essentials to luxury items.

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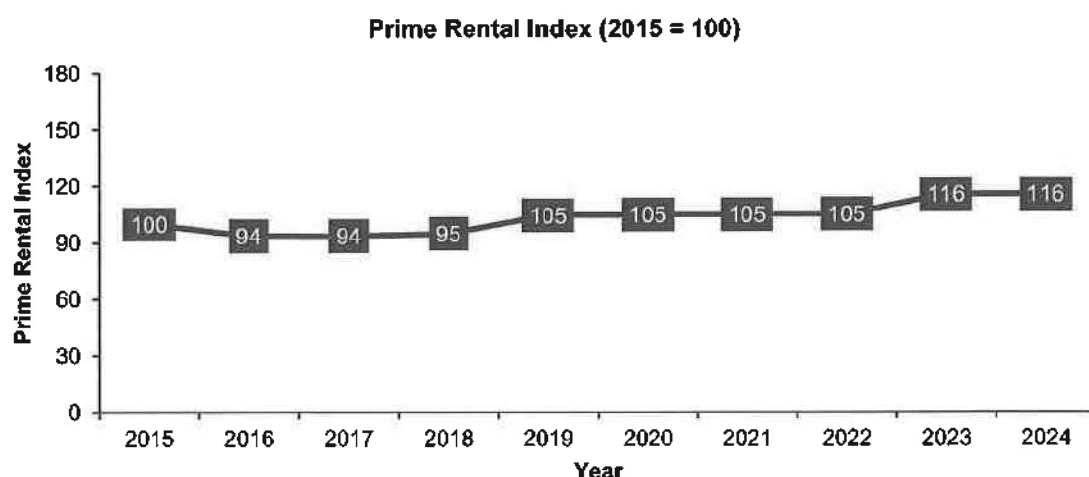
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7.5 Rents

- The prime rental index for the nine prime malls in Iskandar Malaysia is detailed in Figure 7.5a below, highlighting key rental trends and performance across these top retail locations.

Figure 7.5a: Retail Mall Rental Index in Iskandar Malaysia



Source: Savills Research

- Prime rents in selected malls across Iskandar Malaysia have remained relatively stable in recent years.
- Johor Bahru City Square, situated in Johor Bahru City Centre, recorded the highest ground floor rent at RM21.60 per sq ft per month during 2023 and 2024. In contrast, Plaza Angsana in the suburban area recorded the lowest rent at RM5.70 per sq ft per month during the same period.
- In 2019, the prime index rose to 105 index points, reflecting a 10.5% y-o-y growth, primarily driven by the opening of Mid Valley Southkey, which commands higher rental rates than other regional malls.
- Looking forward, prime rents are anticipated to increase, driven by key developments such as the Johor-Singapore Special Economic Zone (JS-SEZ) and Forest City Special Financial Zone (SFZ). These projects are expected to attract more investments and a growing workforce, expanding the consumer base and enhancing spending power. This, in turn, will spur demand for retail spaces, positively impacting prime rents.
- Additionally, the upcoming Johor-Singapore Rapid Transit System (RTS) will provide greater access for Singaporean shoppers to Johor Bahru. This will further help increase footfall to malls in Johor Bahru, intensifying competition for prime retail spaces and contributing to higher rental rates.

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7.6 Major Retail Property Transactions in Iskandar Malaysia

Table 7.6a: Retail Property Transaction in Iskandar Malaysia

Table 7.3a: Retail Property Transaction in Iskandar Malaysia						
Shopping mall	Location	Year	NLA (million sq ft)	Consideration		Purchaser
				RM million	RM psf	
Johor						
Johor Bahru City Square	Johor Bahru	2024	0.5	850	1,574	Allgreen Properties Ltd
Giant Hypermarket Plentong	Masai	2023	0.7	140	192	Sunway REIT
Capital City Mall	Iskandar Puteri	2023	0.6	368	573	Mustafa's Pte Ltd
Mydin Mall	Masai	2019	0.3	60	230	Mydin Mohamed Holdings Bhd
Mydin Mall Mutiara Rini	Johor Bahru	2018	0.9	220	244	Kumpulan Wang Persaraan (KWAP)
Komtar JBCC	Johor Bahru	2015	0.4	462	1,150	Al- Salam REIT

Source: Savills Research

- Iskandar Malaysia's retail transaction market is less active than Selangor's but has seen several significant deals.
- In 2024, Allgreen Properties Ltd, a subsidiary of Kuok Group, repurchased a 70% stake in Johor Bahru City Square in Johor Bahru for RM850 million cash. This acquisition marks the return of ownership for Kuok Group, having previously sold the stake to GIC Real Estate Ltd in 2004 for RM465 million. With this acquisition, Kuok Group's ownership in Johor Bahru City Square increases to 76%.
- One major transaction involved a 600,000 sq ft shopping mall in Tampoi. Singapore-based retailer Mustafa's Pte Ltd acquired 591 unsold retail units in Capital City Mall from Capita World for RM368 million, marking Mustafa's entry into the Malaysian market.
- Additionally, Mydin Mohamed Holdings Berhad purchased Mydin Mall in Taman Rinting, Masai, for RM60 million. Meanwhile, Kumpulan Wang Persaraan (KWAP) acquired Mydin Mall Mutiara Rini for RM220 million from Mydin Mohamed Holdings.
- In 2015, Al-Salam REIT acquired Komtar JBCC in Johor Bahru for RM462 million, with a NLA of approximately 400,000 sq ft.
- These transactions highlight the strategic investments and potential growth in Iskandar Malaysia's retail sector.

7.7 Iskandar Malaysia Retail Market Snapshot and Outlook

- As of 2024, the cumulative supply in Iskandar Malaysia reaches 17.8 million sq ft. The addition of retail spaces has been stagnant for the past five years. A significant addition happened before 2020 following the opening of three megamalls, i.e., Paradigm Mall Johor Bahru in 2017 with 1.3 million sq ft of NLA, Mid Valley Southkey (1.5 million sq ft NLA) and Toppen Shopping Mall (1.1 million sq ft NLA), both in 2019.
- Upcoming malls include two small-scale malls: SKS City Mall JBCC in 2025 and Horizon Mall in 2026. Malls in the pipeline are leaning towards smaller-sized neighbourhood malls that cater to the immediate surrounding population.
- Average occupancy rates of retail spaces in Iskandar Malaysia increased by 2.6% y-o-y to 72.6% in Q3/2024 (Q3/2023: 70.0%), attributed to retailers expanding their presence in Iskandar Malaysia.

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- Iskandar Malaysia's retail sector hit hard during the pandemic when the MCO was announced in 2020, followed by several lockdowns. Fortunately, after the reopening of international borders and reopening of the economy, the retail sector has seen an improvement with a gradual increase in occupancy rates.
- Retail sales from the Iskandar Malaysia market also depend on its neighbouring country – Singapore, as the SGD exchange rate remains favourable.
- Several initiatives and drivers are expected to increase the state's vibrancy and population. The upcoming Johor Bahru-Singapore Rapid Transit System (RTS) Link will boost the retail growth and economy in Iskandar Malaysia.
- The establishment of the Johor-Singapore Special Economic Zone (JS-SEZ) is also expected to be a key driver for growth in the local economy, attracting skilled workers and businesses. It will create job opportunities which would stimulate an increase in spending within the Johor economy, further supported by the favourable exchange rate with Singapore.

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8.0 Review of REIT Portfolio

8.1 Paradigm Mall Petaling Jaya

8.1.1 Description

- Paradigm Mall Petaling Jaya is a retail mall comprising 6 retail levels with a lower ground floor and 2 basement car park levels along with 2 retail levels which opened in 2012 with 680,048 sq ft of NLA, providing a wide array of retail, dining, and entertainment options.
- Paradigm Mall Petaling Jaya, classified as a regional mall, is positioned towards the mid-market, catering mainly to the surrounding mature residential and office population.
- The pandemic has prompted Paradigm Mall Petaling Jaya to refine its trade and tenant mix, including Escape Park, which utilises the open spaces to attract more footfalls to the mall.
- The mall hosts a collection of mid-range local and international brands strategically selected to appeal to a broad market segment. Lotus's and Golden Screen Cinemas are the anchor tenants, whilst well-known brands include Marks & Spencer, H&M, Sephora, Uniqlo, Popular, Mr. DIY, Harvey Norman and Padini.
- Paradigm Mall Petaling Jaya is the key component of the integrated commercial development, which includes a 32-storey office tower known as The Ascent, offering an NLA of 502,837 sq ft and serviced residences, The Azure Residences, featuring 189 residential units, and Sapphire Paradigm, featuring 229 residential units, as well as Le Meridien PJ, featuring 300 hotel rooms, complementing the office and residential components.

8.1.2 Location Analysis

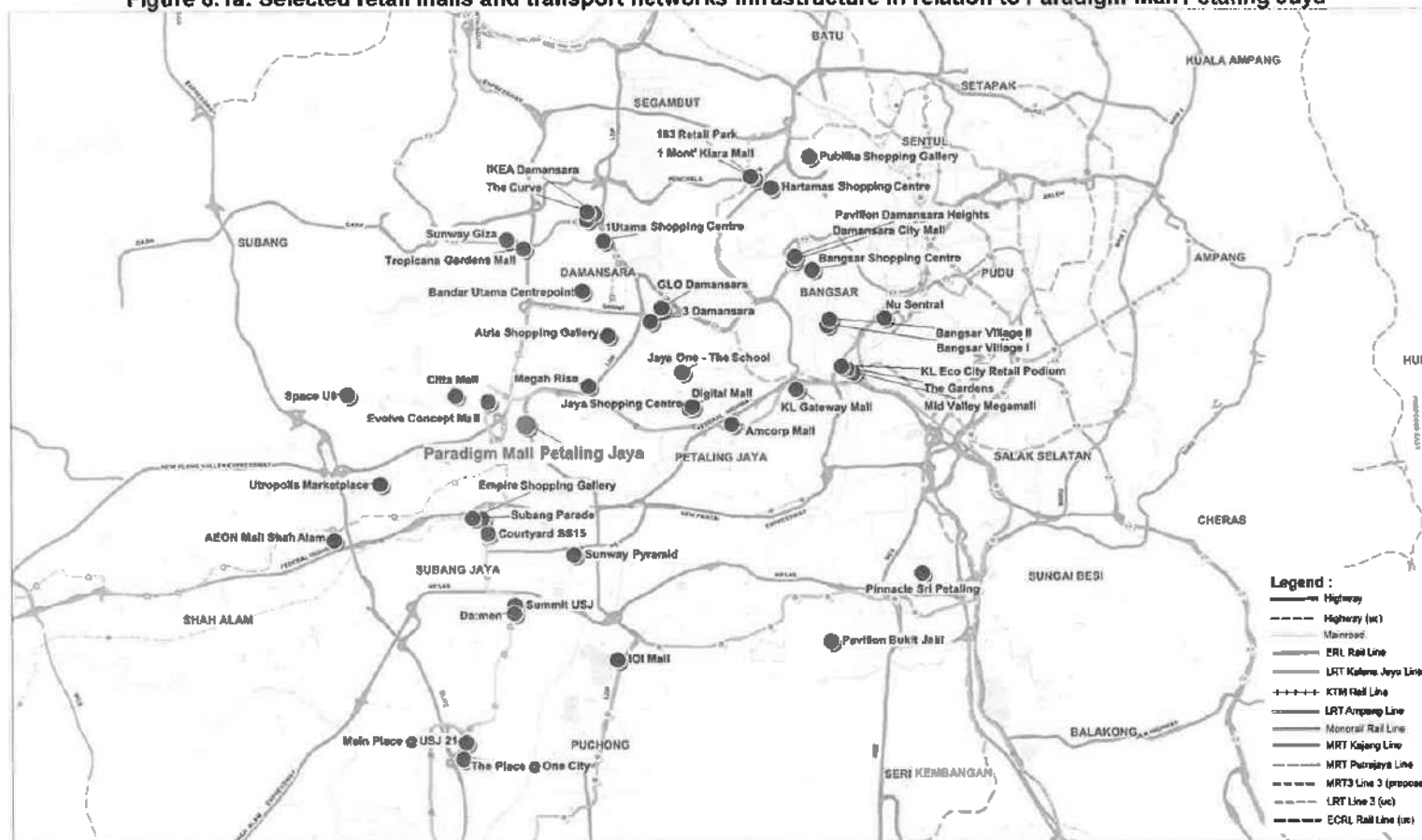
- Paradigm Mall Petaling Jaya is situated in Petaling Jaya, Selangor, a thriving business hub with vibrant economic activities. The mall benefits from good connectivity, including access to the Damansara-Puchong Highway (LDP), one of the key arterial roads in the Klang Valley region. This allows easy access to motorists from various parts of Petaling Jaya, Kuala Lumpur, and surrounding areas. The mall is also located near the Kelana Jaya LRT station. While not directly adjacent, it is within a reasonable distance, and shuttle services or public buses may facilitate last-mile connectivity for commuters. The nearest LRT station, LRT CGC-Glenmarie (KJ27), is located approximately one kilometre from the mall, within a reasonable distance and provides convenient access for commuters.
- The mall is surrounded by commercial and residential developments such as Sapphire Paradigm, Azure Residence, The Arcuz, and High Park Suites. It is near established neighbourhoods such as Kelana Jaya, Bandar Utama, and Damansara, ensuring a steady flow of footfall from nearby residents and visitors from other parts of the city. Its strategic location allows it to draw customers from a wide catchment area. Petaling Jaya is a vibrant and diverse city with a mix of demographics ranging from young professionals to families and retirees.

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Figure 8.1a: Selected retail malls and transport networks infrastructure in relation to Paradigm Mall Petaling Jaya



Source: Savills Research

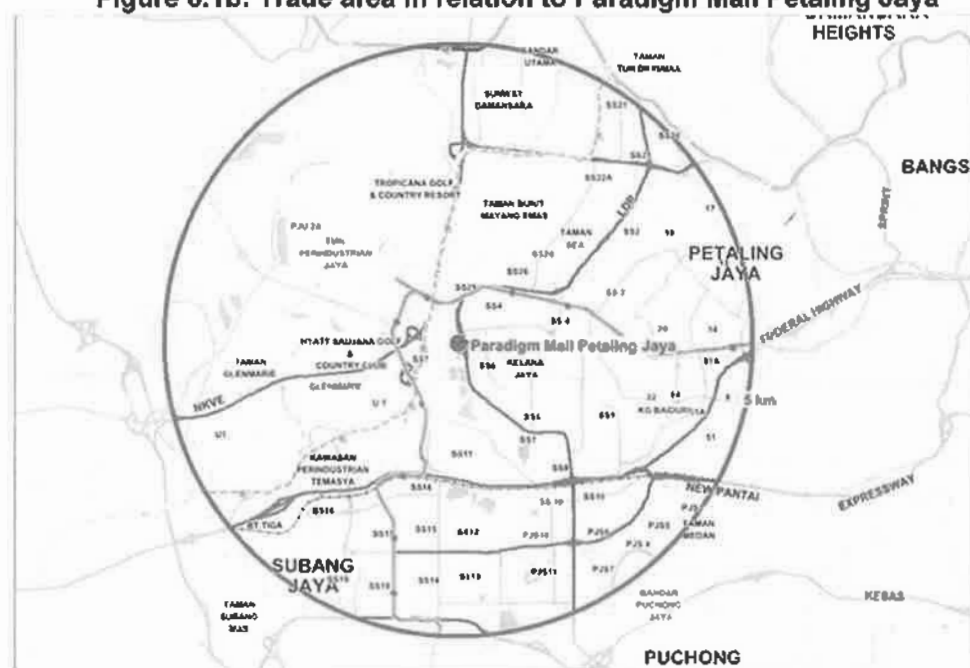
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8.1.3 Trade Area Analysis

Figure 8.1b: Trade area in relation to Paradigm Mall Petaling Jaya



Source: Savills Research

Table 8.1a: Trade Area Analysis

Primary Trade Area (estimation)	
Residential Population, 2024	634,880 persons
Average Monthly Household Income, 2024	RM14,260
Office Population, 2024	80,093 persons

Source: Savills Research

Note: *Assuming one (1) office worker in every 120 sq ft occupied office space

- The primary trade area for Paradigm Mall Petaling Jaya, as illustrated in Figure 8.1b, is defined by a 5-kilometre radius surrounding the retail mall.
- Paradigm Mall Petaling Jaya is strategically located at the road frontage along the Damansara-Puchong Highway (LDP), providing high visibility to passing traffic. Surrounded by residential areas, office buildings, and commercial establishments, the mall benefits from a continuous flow of footfall. Moreover, its location offers convenient accessibility for visitors, facilitated by seamless connectivity to major highways, including the Federal Highway and Damansara-Puchong Highway (LDP).

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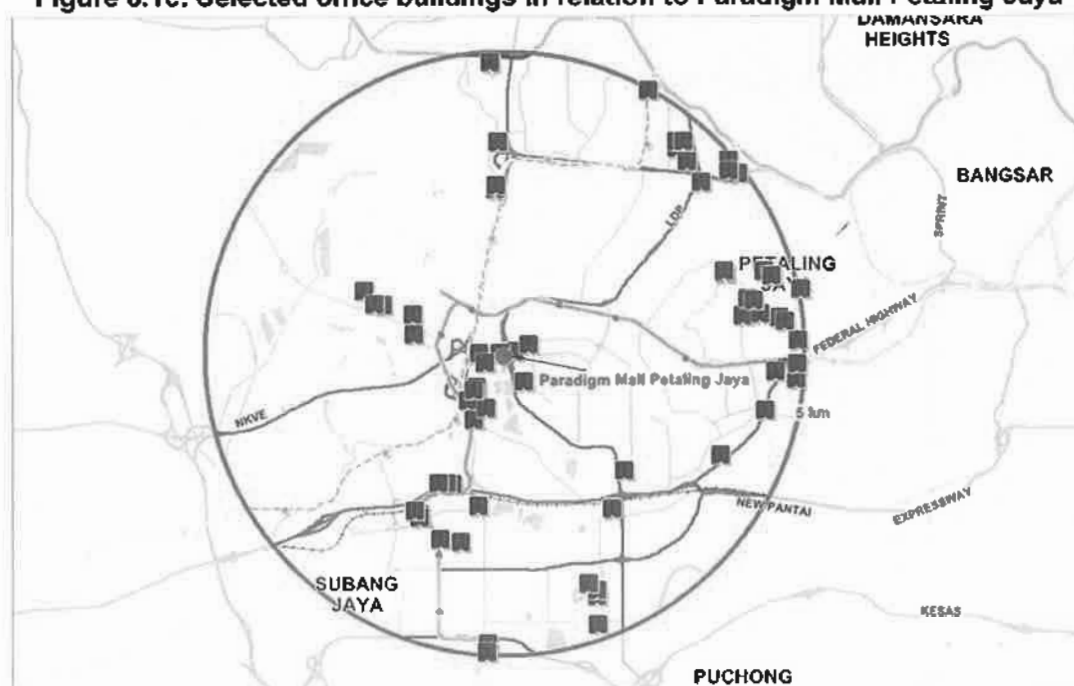
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**Residential Population**

- The primary trade area has an estimated resident population of 634,880 persons, 26.9% of the population in the District of Petaling (2,360,000 persons). Population in the main trade area will continue to increase, driven by a substantial upcoming residential development.
- The trade area has a mature residential base and stable population growth, with an estimated average monthly household income of RM14,260.

Office Population

- As of 2024, the total NLA of office buildings in the main trade area is approximately 16.8 million sq ft, with 9.6 million sq ft currently occupied. The primary trade area has an estimated office population of 80,093 persons.

Figure 8.1c: Selected office buildings in relation to Paradigm Mall Petaling Jaya

Source: Savills Research

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8.1.4 Performance Analysis

8.1.4.1 Key Tenants

- Paradigm Mall Petaling Jaya encompasses a sprawling six-level retail complex spanning 680,048 sq ft of occupied NLA. The mall's main entrances are situated on the lower ground (LG), concourse (CC), and ground floor (GF) levels. The LG level houses Lotus's, the mall's anchor tenant, a supermarket, which occupies the most significant space in Paradigm Mall Petaling Jaya (12.9%).
- The entrance on the CC level leads to the Padini Concept Store, one of the top 10 tenants occupying 2.4% of occupied NLA.
- The GF entrance leads to Marks & Spencer, a fashion tenant occupying 3.6% of occupied NLA.
- Another notable tenant is Golden Screen Cinemas (GSC), a tenant under the entertainment and amusement category, which occupies 6.1% of occupied NLA.
- Tables 8.1b below present Paradigm Mall Petaling Jaya's top 10 tenants by occupied NLA as of 31 March 2025.

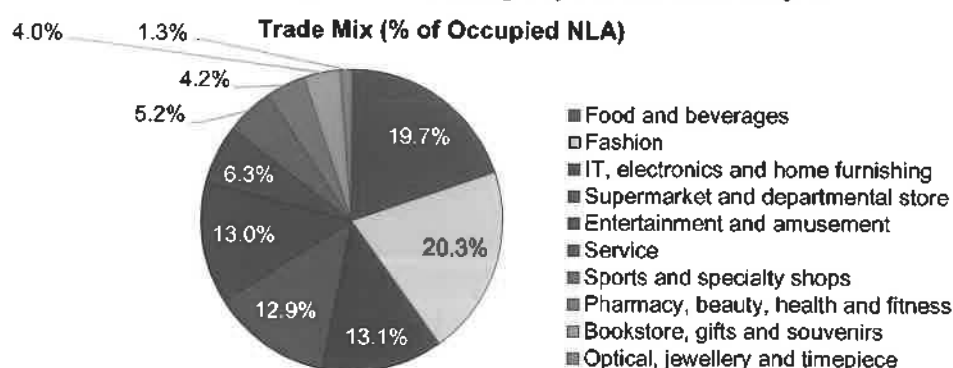
Table 8.1b: Paradigm Mall Petaling Jaya's Top 10 Tenants by Occupied NLA

Rank	Tenant	Trade Category	% Occupied NLA
1	Lotus's	Supermarket and Departmental Store	12.9%
2	Golden Screen Cinemas	Entertainment and Amusement	6.1%
3	Harvey Norman	IT, Electronics and Home Furnishing	4.9%
4	Escape Challenge	Entertainment and Amusement	4.3%
5	Marks & Spencer	Fashion	3.6%
6	H&M	Fashion	2.8%
7	Fitness First	Pharmacy, Beauty, Health and Fitness	2.6%
8	Padini Concept Store	Fashion	2.4%
9	Popular	Bookstore, Gifts and Souvenirs	2.2%
10	Brands Outlet	Fashion	2.0%
Total:			43.8%

Source: Paradigm REIT Management Sdn. Bhd.

8.1.4.2 Trade Mix

Figure 8.1d: Paradigm Mall Petaling Jaya Trade Mix Analysis



Source: Paradigm REIT Management Sdn. Bhd., Savills Research

Note: The categories of the above trade mix summarise a larger set of sub-categories and include shop and kiosk space.

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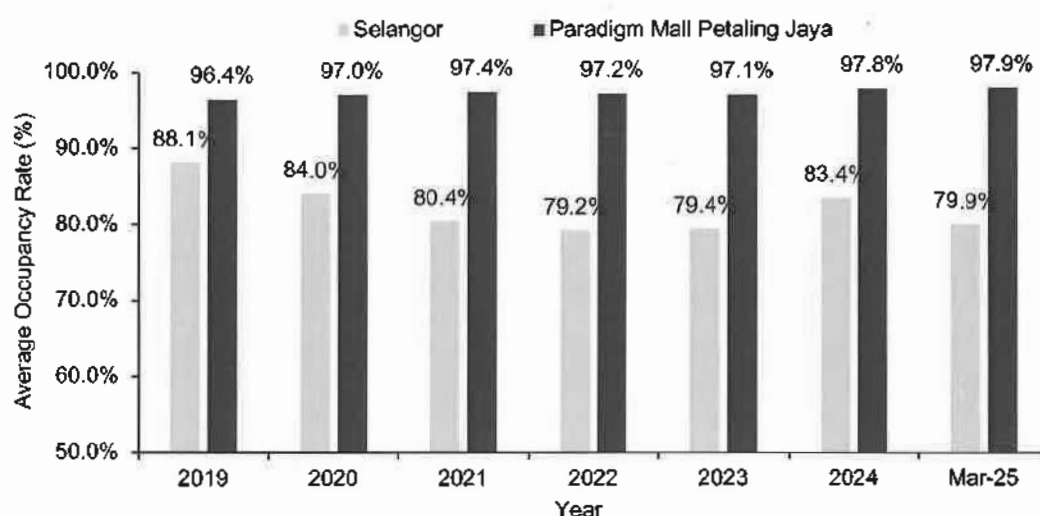
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- At Paradigm Mall Petaling Jaya, fashion is the largest trade category, occupying 20.3% of the NLA, followed closely by food and beverages at 19.7%, making both categories the most significant in the mall. Following them are IT, electronics and home furnishing at 13.1%.
- The fashion category (20.3%) includes well-known brands such as H&M, Marks & Spencer, G2000, Voir, Uniqlo, Skechers, and Padini Concept Store. It is worth noting that this category occupies the largest portion of occupied NLA, as fashion retailers often require larger spaces in malls to display their wide range of products.
- The food and beverages category (19.7%) offers a variety of eateries such as Serai, An Viet, Paradise Dynasty, Sushi Zanmai, Starbucks, The Coffee Bean & Tea Leaf, KFC, Subway, Papparoti, and Nando's Restaurant, among others.
- The IT, electronics and home furnishing category (13.1%) include tenants such as Harvey Norman, Home's Harmony, Kaison, and Mr. DIY.

8.1.4.3 Occupancy Rate

Figure 8.1e: Paradigm Mall Petaling Jaya's Average Occupancy Rate vs Selangor Malls, 2019 - March 2025



Source: Paradigm REIT Management Sdn. Bhd.

- Paradigm Mall Petaling Jaya has consistently showcased excellent performance in terms of occupancy rates despite encountering various economic challenges within the Malaysian context, especially in the densely populated Klang Valley area, where competition among malls is high, leading to numerous vacant lots.
- Commencing at a high occupancy rate of 96.4% in 2019, the mall witnessed incremental growth, reaching 97.0% in 2020. The occupancy rate continued to increase, reaching 97.4% in 2021, despite economic uncertainties and shifting consumer behaviour during the pandemic. In 2022, the occupancy rate adjusted slightly to 97.2%, followed by a small decrease to 97.1% in 2023. The occupancy rate improved to 97.8% in 2024 and 97.9% as of March 2025.
- Paradigm Mall Petaling Jaya consistently achieves higher occupancy rates than Selangor's overall average, as evidenced by its performance from 2019 to March 2025.

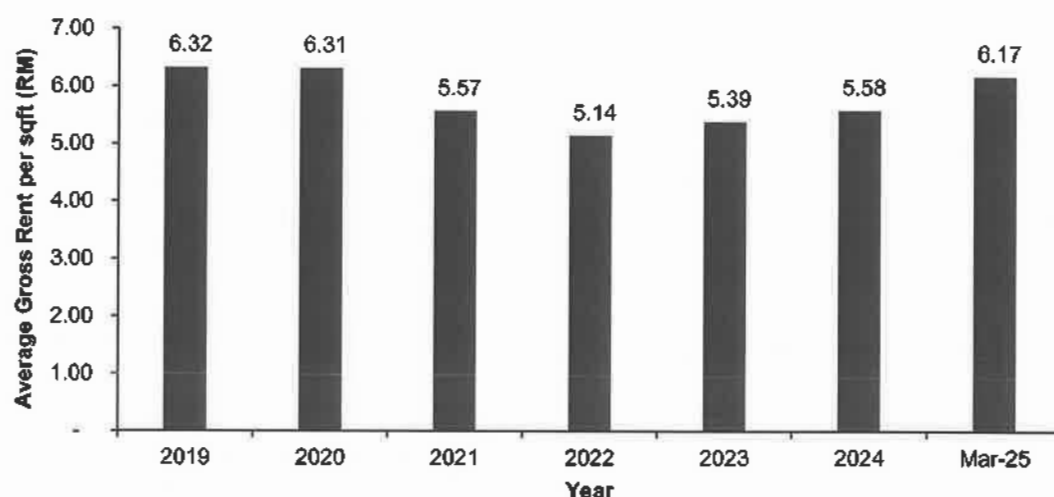
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8.1.4.4 Rents

Figure 8.1f: Paradigm Mall Petaling Jaya's Average Monthly Rental Rate, 2019 - March 2025



Source: Paradigm REIT Management Sdn. Bhd.

- The rental trend at Paradigm Mall Petaling Jaya has exhibited varying patterns in recent years. The average monthly rental rate recorded at RM6.32 and RM6.31 per sq ft in 2019 and 2020, respectively. A significant decrease was observed in 2021, with the rate dropping to RM5.57 per sq ft, primarily due to negative rental reversion on lease renewals in 2021 and 2022, impacted by COVID-19 pandemic-related economic challenges.
- Continuing into 2022, the rate further decreased to RM5.14 per sq ft, reflecting the impact of the pandemic. Nevertheless, signs of recovery emerged in 2023, as the average monthly rental rate increased to RM5.39 per sq ft and RM5.58 per sq ft in 2023 and 2024, respectively. As of March 2025, the rate has continued to increase, reaching RM6.17 per sq ft per month. Comparable retail malls in Petaling Jaya typically range from RM3.00 to RM6.50 per sq ft per month over the occupied space, placing Paradigm Mall Petaling Jaya on the higher end of the spectrum.
- The strategic location of Paradigm Mall Petaling Jaya, situated within the populous District of Petaling and along major highways, positions it favourably to attract continuous footfall, which may contribute to the anticipated growth in rental rates in the forthcoming years, as the mall showed a rental growth potential.

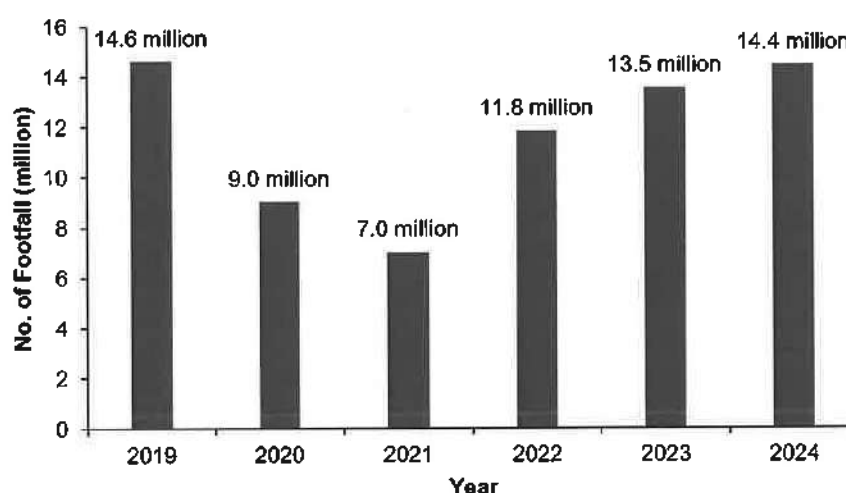
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8.1.4.5 Shopper Traffic

Figure 8.1g: Paradigm Mall Petaling Jaya's Shopper Footfall, 2019 - 2024



Source: Paradigm REIT Management Sdn. Bhd.

- Figure 8.1g illustrates an estimation of the footfall based on sensor technology. The sensor machine is placed strategically at several entrances and exits within the mall.
- The continuous increase in footfall over the past three years shows a successful strategy in tenant mix by the mall, also signalling a post-pandemic recovery.
- The footfall is projected to increase gradually, with a series of initiatives that Paradigm Mall Petaling Jaya will be doing. These initiatives, which include hosting events, establishing entertainment zones, and introducing the Escape Park, provide the mall with a competitive edge. In addition to these initiatives, Paradigm Mall Petaling Jaya remains proactive in catering to evolving consumer preferences and market dynamics. Through a thorough market study of industry trends and consumer behaviours, the mall fine-tunes its strategy to maintain relevance. These efforts reflect the mall's dedication to elevating the shopping experience and broadening its appeal to a broader audience.

8.1.5 SWOT Analysis

Strengths

- High visibility and easy accessibility:** Paradigm Mall Petaling Jaya enjoys high visibility along the Damansara-Puchong Highway (LDP). Its convenient location along LDP and seamless connectivity to other major roads and highways, such as the Federal Highway and New Klang Valley Expressway (NKVE), ensures easy access for visitors from various parts of the Klang Valley and beyond.
- Well-established surrounding developments:** Paradigm Mall Petaling Jaya is surrounded by residential areas, office buildings, and commercial establishments. The mall benefits from a consistent flow of footfall, indicative of its mature neighbourhood, with a residential population of 634,880 persons and an office population of 80,093 persons within a 5km radius. Within a 3km radius of Paradigm Mall, five prominent Government-Linked Companies (GLCs) in Kelana Jaya are situated, including Pejabat Pos Kelana Jaya (1.5km), Telekom Malaysia Kelana Jaya (2km), Proton 3S Kelana Jaya (2.1km), Kompleks Tabung Haji

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Kelana Jaya (2.8km), and Malaysia Airlines Academy (1.6km). These offices might also contribute to the weekday crowd of the mall.

- **Quality tenant mix and competitive rental:** Paradigm Mall Petaling Jaya offers a diverse tenant mix that caters to a broad spectrum of consumer preferences, from fashion and entertainment to health and home furnishings. The mall's competitive rental rates are key factors in attracting and retaining this diverse mix of quality tenants. This strategy has resulted in impressive occupancy rates, demonstrating the mall's resilience and appeal to retailers and shoppers.
- **Digital interaction and loyalty programme:** Paradigm Mall Petaling Jaya leverages digital technology with its WCT Buddy mobile app, enhancing the shopping experience through a digital membership system. The app allows customers to track rewards, receive personalised recommendations, and enjoy cashless transactions. The WCT Buddy loyalty program further strengthens customer retention by offering exclusive privileges, redeemable Buddy points, WCT Voucher Bonanza Sale, and special promotions, fostering a strong connection between the mall and its shoppers.

Weaknesses

- **Traffic congestion:** The LDP is one of the major highways in the Klang Valley. Like many highways in urban areas, it may experience traffic congestion. Particularly during peak hours, the highway can become heavily congested.
- **Dependent on vehicular traffic:** Footfall is heavily correlated to the availability of car park bays – footfall growth may be restricted in the future if the number of car park bays does not increase, given Paradigm Mall Petaling Jaya is not directly connected to any MRT or LRT network. This implies that future growth in footfall could be constrained if there is no corresponding increase in the number of car park bays.

Opportunities

- **High population:** Located in Malaysia's most populated district, the District of Petaling, Paradigm Mall Petaling Jaya enjoys access to a large and diverse consumer base. This dense population provides a steady stream of footfall to the mall.
- **Improving transportation infrastructure:** Glenmarie station will soon become an interchange station upon completing the LRT3 line, currently under construction and expected to open in 2025. Glenmarie is the nearest LRT station to Paradigm Mall, approximately 11 minutes away by foot. Once operational, this line will offer a convenient public transportation option for visitors to Paradigm Mall. The completion of the LRT3 line may attract a broader customer base, such as residents from Shah Alam, leading to higher footfall at the mall.
- **Increase in footfall:** Paradigm Mall Petaling Jaya has a significant opportunity to capitalise on the consistent increase in footfall observed from 2021 to 2024. This upward trend indicates a successful tenant mix strategy implemented by the mall and signals a recovery in the post-pandemic era. The increase in visitors presents an opportunity for the mall to enhance its offerings and services further. By aligning with consumer preferences and trends, the mall can attract a more extensive customer base, increasing its revenue.

Threats

- **Saturation of malls along LDP:** The LDP is home to several malls, with The Starling Mall (6.2km) and 3 Damansara (6.7km) situated in proximity to Paradigm Mall Petaling Jaya, competing for foot traffic and consumer spending within a similar catchment area.
- **New mall completions:** Elmina Lakeside Mall, 168 Park Mall, and Sunsuria Forum @ 7th Avenue are located more than 20 km away from Paradigm Mall Petaling Jaya. Therefore, the opening of these malls will not pose a threat to Paradigm Mall Petaling Jaya, as it is a regional mall that attracts a population within a 20 km radius.

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8.1.6 Comparative Analysis

Table 8.1c: Comparative Analysis of Paradigm Mall Petaling Jaya's Competitors

Description	The Starling	Atria Shopping Gallery	3 Damansara
Distance from Paradigm Mall Petaling Jaya (km)	6.2	5.6	6.7
Net Lettable Area (sq ft)	450,000	470,000	450,000
Location	Damansara Uptown, Petaling Jaya	Damansara Jaya, Petaling Jaya	Damansara intan, Petaling Jaya
Est. Occupancy Rate (2024)	94%	77%	70%
Date of Completion	2016	2015	2008
No. of Floors (exclude basement)	5	8	4
Levels of Retail	7	8	4
No. of Car Park Bays	3,300	1,700	1,759
Classification of mall	Neighbourhood	Neighbourhood	Neighbourhood
Ownership	Damansara Uptown Retail Sdn Bhd (See Hoy Chan)	OSK Property Holdings Bhd	CapitaLand Malaysia Trust (formerly known as CapitaLand Malaysia Mall Trust)
Positioning	Mid to mass level	Mid to mass level	Mid to mass level
Target Market	Families, teenagers and office workers	Families, teenagers and office workers	Families, teenagers and office workers
Anchor / Notable Tenant(s)	Key Anchors: Jaya Grocer, SSF and Golden Screen Cinemas (GSC).	Key Anchors: Village Grocer and MBO Cinemas. Key Tenants: Jungle Gym, ACE Hardware and Mr DIY.	Key Anchor: NSK Grocer. Key Tenants: TBM and Mr DIY.
Remarks	- The Starling is a community-centric mall attracting working adults, young individuals, and families. - Its tenant mix comprises anchor tenants such as Jaya Grocer, GSC, and Co-labs Coworking. The majority of the tenants are from the F&B sector (40%), whilst the second highest consists of pharmacy, beauty, health, and fitness, accounting for about 16% of the tenant mix. There is less emphasis on fashion tenants (12%). - It offers direct underground parking from the LDP and easy access to nearby shops, offices, and Somerset Damansara Uptown.	- The mall is known for hosting regular warehouse clearance sales for various items such as home furniture, clothing, beauty products, and IT gadgets. - Numerous eateries within the mall suggest a wide range of dining options. However, it has been observed that there are fewer non-F&B tenants, potentially indicating a lesser variety of activities available when visiting the mall.	- The mall has been observed to experience low occupancy rates, which have impacted overall footfall. - The closure of Golden Screen Cinemas (GSC) on 18 March 2024 has created a significant vacancy, leaving the mall without a cinema operator tenant. - At the time being, the mall's footfall is primarily supported by NSK Grocer and Kafe Ruuma.

Source: Savills Research

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- Out of the 37.5 million sq ft of retail space in Selangor, 20.0% of the retail space falls within the regional malls category, with Paradigm Mall Petaling Jaya representing 1.8% of total retail space.
- Integrated developments have evolved significantly over the years, transforming how malls and other components are designed and utilised. Today's integrated developments often encompass retail malls, residential towers, office buildings, hotels, and even healthcare facilities, all within a cohesive complex. This shift reflects a growing demand for convenience and connectivity, as residents and workers prefer to have essential services and amenities within walking distance.
- Paradigm Mall Petaling Jaya is part of an integrated commercial development comprising an office tower (The Ascent), serviced apartments (The Azure) and a hotel (Le Meridien PJ). This integrated approach will drive footfall from various sources and provide convenience. The synergy between different development components strengthens Paradigm Mall's position as a central hub in Petaling Jaya, offering a holistic and integrated experience for residents, workers, travellers, and shoppers.
- The Starling Mall, located within a mature residential neighbourhood, benefits from the offices and shop offices within the parameters. During the day, The Starling Mall attracts a substantial crowd of office workers from the vicinity, whilst in the evening and at night, the shopper demographic shifts primarily to families and local residents. This change in the customer base reflects the residential nature of the surrounding neighbourhood.
- Tenants from the food and beverages category form the highest percentage in The Starling Mall at approximately 40.0%, followed by the pharmacy, beauty, health and fitness category at 16.0%. Similarly to Paradigm Mall Petaling Jaya, while fashion is the largest trade category at 20.3% of the occupied NLA, food and beverages remain a major component, accounting for 19.7%.
- Located within a mature residential area, Atria Shopping Gallery shares attributes similar to those of The Starling Mall and Paradigm Mall Petaling Jaya in terms of serving the residential population within the vicinity. Atria Shopping Gallery also has the food and beverages trade as the highest share at 30.0%, followed by the pharmacy, beauty, health and fitness trade at 20.0%. The mall also has retail space accommodating warehouse clearance events for home products, furniture, gadget fairs, and clothing.
- Consumer preferences and the very definition of shopping have transformed significantly since the pandemic, especially within the retail scene in GKL. The traditional shopping experience has evolved, with a greater emphasis on safety, convenience, and immersion. Customers now seek shopping environments that offer more than just retail transactions—consumers look for engaging experiences, entertainment, and a sense of community.
- A decade ago, the idea of having theme parks, rock climbing walls or children's playgrounds within shopping malls would have been a rarity. However, the shopping experience has been redefined by incorporating such tenant offerings to make malls more than just shopping destinations. Paradigm Mall Petaling Jaya has embraced this trend by featuring attractions like Escape Park, enriching the mall experience with leisure and entertainment options alongside its diverse retail offerings.

8.1.7 Future Outlook of the Mall

- Paradigm Mall Petaling Jaya is part of an integrated commercial development comprising office and hotel components. It is strategically located within a mature residential neighbourhood in Kelana Jaya.
- Despite not being directly connected to public transport, Paradigm Mall Petaling Jaya offers ample parking and convenient access points, making it easily accessible for residents and visitors.
- The mall offers a diverse range of tenant mixes and a variety of conveniences and services tailored to residents. Tenants are carefully curated to provide convenience and foster a community-focused environment, distinguishing it from larger malls.

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- Despite the increasing competition in Selangor's retail market, Paradigm Mall Petaling Jaya's unique value proposition and its focus on the community—such as event hosting, entertainment zones, and Escape Park—provide a competitive edge. The mall continuously monitors market trends and consumer behaviour to adapt its strategy, ensuring it remains relevant and attractive to a broader demographic.

8.2 Bukit Tinggi Shopping Centre

8.2.1 Description

- Bukit Tinggi Shopping Centre opened in 2007 and spans a GLA of 1,000,950 sq ft. AEON, the sole tenant of the retail space of Bukit Tinggi Shopping Centre, anchors the mall and subleases it to other tenants.
- Bukit Tinggi Shopping Centre is positioned as a neighbourhood mall that caters to the residents of Klang by offering them a comprehensive array of retail, dining, and entertainment experiences. The mall is considered the leading shopping destination in Klang, with no replication of its catchment area in the surrounding vicinity.
- The presence of AEON as the key tenant goes beyond its offerings; AEON leases out its retail spaces to various reputable tenants. This provides Bukit Tinggi Shopping Centre with a diverse range of shops and services for visitors to enjoy, including well-known brands such as Braun Buffel, TGV Cinemas, Cotton On, Guess, Starbucks Coffee, Adidas, Uniqlo, Watsons, Puma, Samsung, The Body Shop, and McDonald's, among others.
- Bukit Tinggi Shopping Centre will gain a strategic advantage with the ongoing construction of the LRT3 right in front of it. This development will provide seamless accessibility for commuters, allowing them to walk directly from the LRT station into the mall. Once operational, it will enhance the overall shopping experience by offering a convenient and efficient public transportation option. Moreover, it is expected to attract a broader customer base, extending beyond Klang to include residents from neighbouring areas like Shah Alam.

8.2.2 Location Analysis

- Bukit Tinggi Shopping Centre is located within the Bandar Bukit Tinggi Township along Jalan Langat, Klang, Selangor. Bandar Bukit Tinggi is a mature township with a wide range of facilities and amenities; mainly, it catered for residents in the Klang district and surrounding area, which makes Bandar Bukit Tinggi a popular destination for commercial, residential and leisure hub in Klang. Bandar Bukit Tinggi houses a mixed development of houses, industrial buildings, shop offices, and apartments. Adjacent to Bandar Bukit Tinggi, other townships include Botanic Klang, Glenmarie Cove, Bandar Puteri Klang and Bandar Bestari.
- Bukit Tinggi Shopping Centre is surrounded by two hypermarkets, Lotus's Klang and Giant Hypermarket, and shop offices, including Bandar Botanic and Bandar Bukit Tinggi. Next to Bukit Tinggi Shopping Centre is an integrated development comprising a retail office block named The Landmark. Next to The Landmark is the Imperia Residences, comprising two high-rise blocks of service apartments and retail shops. The Canvas Hotel is a boutique hotel near The Landmark and Imperia Residences. All these developments are directly connected to the Bukit Tinggi Shopping Centre via a skybridge. This allows pedestrians easy access to the mall, especially during peak hours.
- It is strategically accessible via the KESAS Highway and Federal Highway. The upcoming LRT3 will be directly connected to Bukit Tinggi Shopping Centre via Bandar Bukit Tinggi Station. The LRT3 construction project spanning from Bandar Utama to Johan Setia in Klang is set to commence on September 30, 2025.

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Figure 8.2a: Selected retail malls and infrastructure map in relation to Bukit Tinggi Shopping Centre



Source: Savills Research

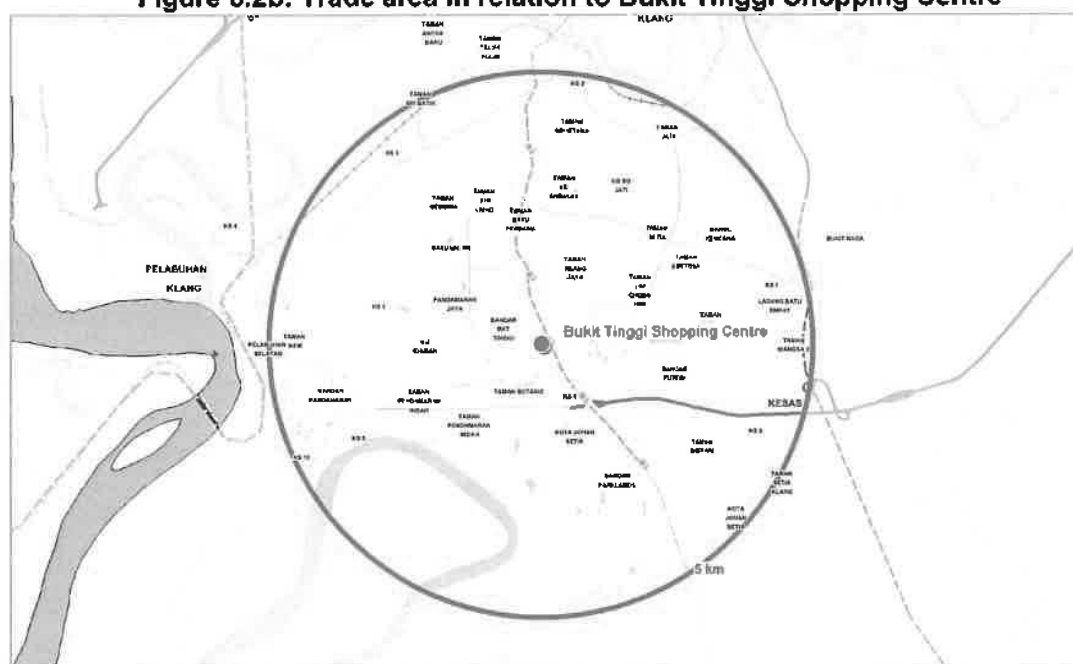
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8.2.3 Trade Area Analysis

Figure 8.2b: Trade area in relation to Bukit Tinggi Shopping Centre



Source: Savills Research

Table 8.2a: Trade Area Analysis

Primary Trade Area (estimation)	
Residential Population, 2024	456,354 persons
Average Monthly Household Income, 2024	RM9,860

Source: Savills Research

- The primary trade area for Bukit Tinggi Shopping Centre, as illustrated in Figure 8.2b, is defined by a 5-kilometre radius surrounding the retail mall.
- Bukit Tinggi Shopping Centre is situated within the Bandar Bukit Tinggi township in Klang, Selangor, Malaysia, complemented by The Landmark corporate office suites, Imperia Residences service apartments, and The Canvas Hotel.
- The primary trade area has an estimated resident population of 456,354 persons, 38.8% of the population in the District of Klang (1,174,900 persons). Population in the main trade area will continue to increase, driven by a substantial upcoming residential development.
- The trade area is within a mature residential development area such as Bandar Bukit Tinggi, Taman Botanic, Taman Klang Jaya and Bandar Puteri, which are mostly landed house developments.
- The trade area extends towards the west and eastern sides of Klang, which are industrialised areas. Industrialisation supports a high concentration of SMEs, providing employment opportunities that boost disposable incomes and, in turn, encourage spending. The trade area has a mature residential base and stable population growth, with an estimated average monthly household income of RM9,860.

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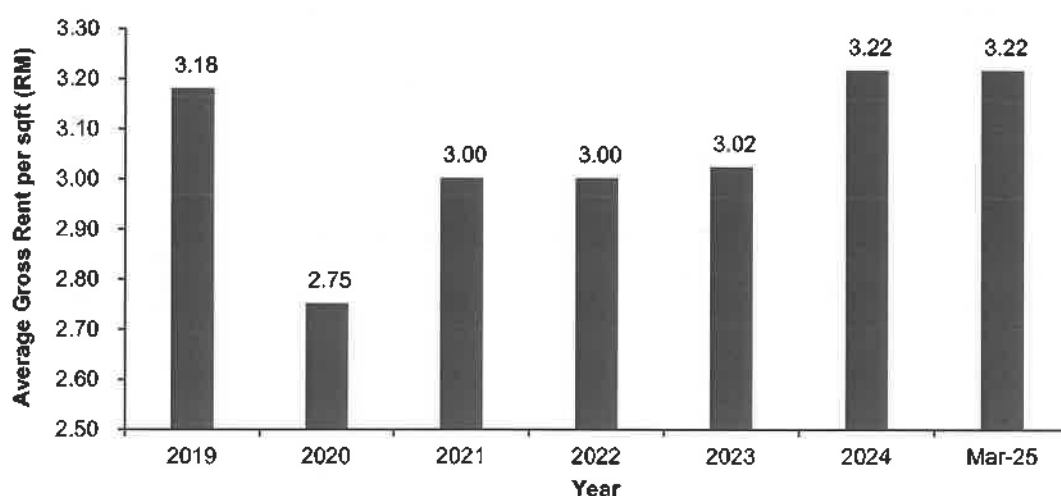
8.2.4 Performance Analysis

8.2.4.1 Key Tenants

- Bukit Tinggi Shopping Centre is master leased to AEON, occupying a GLA of approximately 1,000,950 sq ft of the shopping centre.
- AEON's role extends beyond being a mere tenant—it also subleases its retail space to a diverse range of other tenants, thereby shaping the shopping centre's landscape.
- The tenants subleased by AEON include Braun Buffel, Cotton On, Guess, Starbucks Coffee, Adidas, Uniqlo, Watsons, Puma, Samsung, and The Body Shop, among others. This mix of tenants, brought in by AEON, contributes to the vibrant retail environment of the Bukit Tinggi Shopping Centre.
- Apart from that, Bukit Tinggi Shopping Centre's income is mainly from carpark revenues and rentals from open spaces and organising events.

8.2.4.2 Rents

Figure 8.2c: Bukit Tinggi Shopping Centre's Average Monthly Rental Rate, 2019 - March 2025



Source: Paradigm REIT Management Sdn. Bhd.

- It was reported that the elevated average gross rent observed in 2019 was attributed to the compensation of rent differential between the final agreed rate in 2019 and the provisional rate applied in 2017 and 2018, during which both parties were still negotiating the rental revision. The reported slight decrease in 2020 rental income was primarily a result of adjustment on over provision of rate applied in prior years.
- The average gross rent increased from RM3.00 in 2022 to RM3.02 in 2023, and further to RM3.22 in 2024 and March 2025. This increase was primarily driven by the renewal of the lease agreement with AEON, which introduced higher rental rates starting in November 2023.

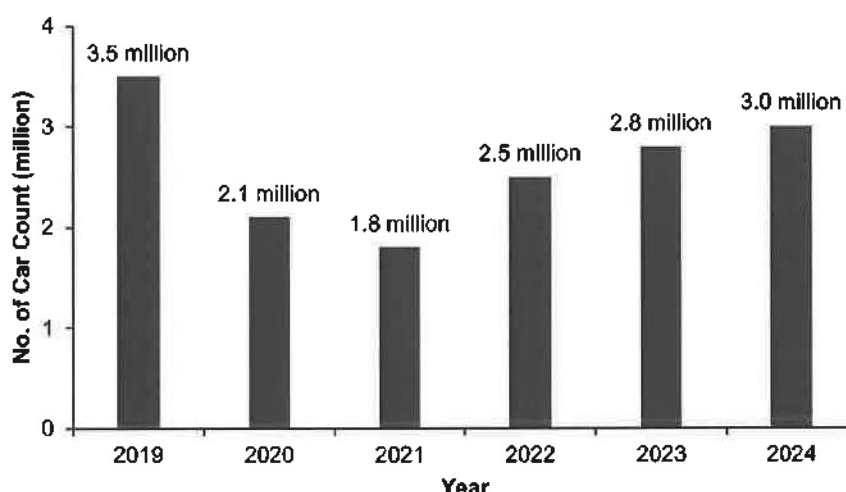
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8.2.4.3 Shopper Traffic

Figure 8.2d: Bukit Tinggi Shopping Centre's Car Count, 2019 - 2024



Source: Paradigm REIT Management Sdn. Bhd.

- The car count at Bukit Tinggi Shopping Centre has increased since 2022, showing a strong post-pandemic recovery of the mall. It also reflects a well-received tenant mix at Bukit Tinggi Shopping Centre, as footfall has remained consistent from 2022 to 2024.
- With the management's initiative to organise more outdoor market events and the upcoming completion of LRT3 (on September 30, 2025), footfall is expected to increase in the coming years.

8.2.5 SWOT Analysis

Strengths

- **High visibility and easy accessibility:** The mall is located at road frontage, making it accessible and visible to passing traffic. This visibility can attract potential customers and increase mall recognition, drawing in shoppers who may not have initially planned to visit the mall but are drawn by its prominent presence.
- **Well-established surrounding developments:** Bukit Tinggi Shopping Centre benefits from its prime positioning near a well-established residential area featuring gated and guarded communities. Located within a 5km radius of a residential population of 456,354 persons, it ensures a readily available customer base, drawing in residents for their shopping needs.
- **High GLA-Based Rental Income:** The rental income is based on GLA (Gross Lettable Area), rented to AEON, which includes the common area instead of just NLA. This approach will lead to higher rental income revenue than NLA-based rentals.

Weaknesses

- **Limited control over tenant mix:** AEON is the single tenant for the retail space of Bukit Tinggi Shopping Centre. With AEON subleasing to other tenants, the landlord has limited control over the tenant mix.
- **Potential revenue loss:** By leasing the entire retail space to a single tenant, the landlord might significantly miss out on potential higher rental income if the demand for retail space increases. While AEON's presence

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brings stability to Bukit Tinggi Shopping Centre, the reliance on a single tenant poses significant weaknesses that may hinder the landlord's ability to maximise income.

Opportunities

- **Stable household income:** According to the latest census released by DOSM, the average household income in Klang district was RM10,278 per month in 2022, ranking 8th out of 160 districts in Malaysia for the highest household income. This affluent environment, showing the significant spending power among the people of Klang, positions Bukit Tinggi Shopping Centre well.
- **Monopoly within the catchment area:** The absence of direct competitors ensures that Bukit Tinggi Shopping Centre enjoys a monopoly within its catchment area in Klang. The mall has exclusive access to a large pool of potential customers without competing heavily with nearby malls.
- **Improving transportation infrastructure:** Further accessibility enhancements are anticipated through direct connections to the LRT3, which is expected to be completed on September 30, 2025. Once this line becomes operational, it will offer a convenient public transportation option for Bukit Tinggi Shopping Centre visitors. The completion of the LRT3 line may attract a broader customer base to the mall, including people from Shah Alam, thereby contributing to increased footfall.

Threats

- **Competitive market:** It is noticeable that there is a saturation of major malls located in other regions of GKL which eventually dilutes the concentration of footfall in Bukit Tinggi Shopping Centre. This potentially poses a risk of reduced market share in the catchment area.

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8.2.6 Comparative Analysis

Table 8.2b: Comparative Analysis of Bukit Tinggi Shopping Centre's Competitors

Description	KSL Esplanade Mall	AEON Mall Bukit Raja	Klang Parade	Central i-City	Setia City Mall
Distance from Bukit Tinggi Shopping Centre (km)	7.0	11.1	9.5	11.9	17.0
Net Lettable Area (sq ft)	650,000	360,065	665,563	940,000	1,180,000
Location	Klang	Bandar Baru Klang	Jln Meru, Klang	Shah Alam	Shah Alam
Est. Occupancy Rate (2024)	75%	62%	71%	82%	95%
Date of Completion	2023	1995	1995 & refurbished in 2013	2019	2012
No. of Floors (excl basement)	4	2	5	6	4
Levels of Retail	4	2	6	6	4
No. of Car Park Bays	3,000	2,100	1,800	3,000	4,000
Classification of mall	Regional	Neighbourhood	Regional	Regional	Megamall
Ownership	KSL Holdings Bhd	AEON Co. (M) Bhd	ARA REIT	Central Pattana PCL (CPN) and i-Berhad	SP Setia JV Asian Retail Investment Fund (ARIF managed by Lend Lease)
Positioning	Mid to mass level	Mid to mass level	Mid to mass level	Mid to mass level	Mid to mass level
Target Market	Families and teenagers.	Families and teenagers.	Families and teenagers.	Families and teenagers.	Families and teenagers.
Anchor/ Notable Tenant(s)	Key Anchors: Star Grocer, Energ X Park, Xctive Kidz, XRoller and Next Gen. Key Tenants: One Living, Mr. DIY and ToyWorld.	Key Anchors: AEON, TGV Cinemas Key Tenants: Mr. DIY, Samsung and DAISO.	Key Anchors: Econsave, Parkson, Peninsula College. Key Tenants: Celebrity Fitness, SSF, Machines, Mr. DIY and Maxis.	Key Anchors: SOGO, TGV Cinemas and Village Grocer Key Tenants: Machines, Cotton On, Charles & Keith, Uniqlo, Swarovski, Mr. DIY and TBM.	Key Anchors: AEON, Parkson and Urbanfresh, Golden Screen Cinemas (GSC) and Wangsa Bowl. Key Tenants: Cotton On, Zara, Uniqlo, Mr. and DIY.

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Remarks	• KSL Esplanade Mall is positioned to serve the middle-income market, catering specifically to families and teenagers. • The mall features a mix of tenants that appeal to this demographic, offering affordable fashion, entertainment, and dining options.	• AEON Mall Bukit Raja serves mainly the local community and its surrounding neighbourhood. • It was observed that most tenants are F&B tenants, with fewer other trade category options.	• Refurbished in 2013, Klang Parade is anchored by Parkson departmental store and Econsave grocery store. • Following the closure of the Golden Screen Cinemas (GSC) at Klang Parade on 1st April 2024, there has been no announcement of a new cinema operator taking its place, which may result in a less attractive tenant mix.	• Being part of the integrated development, the mall features a variety of tenant mixes, ranging from local fashion brands to renowned international brands. • High footfall has been observed within the mall. • The mall primarily targets the Malay market, with a focus on halal dining options and modest wear and Muslim fashion tenants. It also caters to students, particularly from nearby institutions such as UiTM Shah Alam and Unisel.	• Setia City Mall became the largest mall in Shah Alam with its opening of Phase 2 in 2021. • Setia City Mall primarily targets the Malay market, with a strong focus on halal eateries and shops specializing in modest wear and Muslim fashion. With approximately 74.5% of the Shah Alam population identifying as Bumiputera (primarily Malay), as reported by the Department of Statistics Malaysia, the mall strategically aligns its offerings to cater to this key demographic.

Source: Savills Research

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- Out of the 37.5 million sq ft of retail space in Selangor, Bukit Tinggi Shopping Centre contributes approximately 1.0 million sq ft, representing 2.7% of the total retail space.
- Within the retail landscape of Klang, Bukit Tinggi Shopping Centre is strategically positioned to serve as the central hub for residents in the area. With a GLA exceeding 1.0 million sq ft, it plays a crucial role in meeting the diverse shopping needs of the local community.
- Bukit Tinggi Shopping Centre benefits from its prime location near a well-established residential area; this strategic positioning ensures a steady flow of footfall.
- In comparison to other areas in the Klang Valley, like Kuala Lumpur and Petaling Jaya, the retail landscape in Klang exhibits a distinct characteristic.
- Malls in Klang are more spread out, offering a unique advantage to Bukit Tinggi Shopping Centre. While competitors such as KSL Esplanade Mall, AEON Bukit Raja, Klang Parade, Central i-City, and Setia City Mall exist, their distances from Bukit Tinggi Shopping Centre range from 18 to 38-minute drive-time. This presents Bukit Tinggi Shopping Centre with a competitive edge, as it serves as a convenient retail destination for residents in Klang.

8.2.7 Future Outlook of the Mall

- Bukit Tinggi Shopping Centre is strategically situated within the Bandar Bukit Tinggi neighbourhood and is master leased to AEON Corporate.
- Anchored by the AEON departmental store and AEON supermarket, the mall is a prominent retail destination in Klang. It attracts significant footfall due to its diverse tenant mix. AEON's initiative to revamp its in-house brand will enhance the brand's appeal and attract a broader customer base.
- Bukit Tinggi Shopping Centre has proactively organised various events to drive footfall. Notably, plans to utilise parking space for outdoor events such as food bazaars/ carnivals and the introduction of a Go-Kart track is a commendable initiative aimed at drawing more footfall and generating additional income.
- The anticipated completion of the LRT3 on September 30, 2025 is expected to enhance accessibility and increase footfall to the mall. Future enhancements in public transport infrastructure will likely play a crucial role in the mall's continued success and growth.

8.3 Paradigm Mall Johor Bahru

8.3.1 Description

- Paradigm Mall Johor Bahru is one of the megamalls in the region, featuring 6 retail levels with a mezzanine floor and a level of cinema and convention centre. Opened in 2017, this mall offers a total of 1,292,956 sq ft of NLA, making it a significant retail and entertainment destination in Johor Bahru.
- Located towards the western side of Johor Bahru, the mall enjoys a catchment area with a mature residential population from its surroundings and also tourists from Singapore. The mall is home to over 350 retail tenants anchored by Parkson (department store), HomePro, Golden Screen Cinemas and Harvey Norman.
- Brands found in Paradigm Mall Johor Bahru are mostly mid-range and cater to the entire Johor Bahru. Popular brands that can be found include Village Grocer, Switch, Toys 'R' Us, Smiggle, Padini, H&M, Levi's, Uniqlo, Brands Outlet, Adidas Performance, Al-Ikhsan, HLA, Cotton On and Lovisa. The mall also houses home furnishing stores such as HomePro, SSF, Star Living, Ruma, Grand Sen Q, Harvey Norman and Kaison.
- The trade mix of Paradigm Mall Johor Bahru is diverse, offering fashion, IT, electronics and home furnishing, entertainment and amusement, supermarket and departmental store, and F&B. The mall's ability to offer different interests and needs contributes to its success in drawing local and Singaporean shoppers.
- The mall is part of a mixed development, consisting of Paradigm Residence, a 24-storey Serviced Apartment with 263 units and a 17-storey hotel – Hyatt Place with 200 rooms.

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8.3.2 Location Analysis

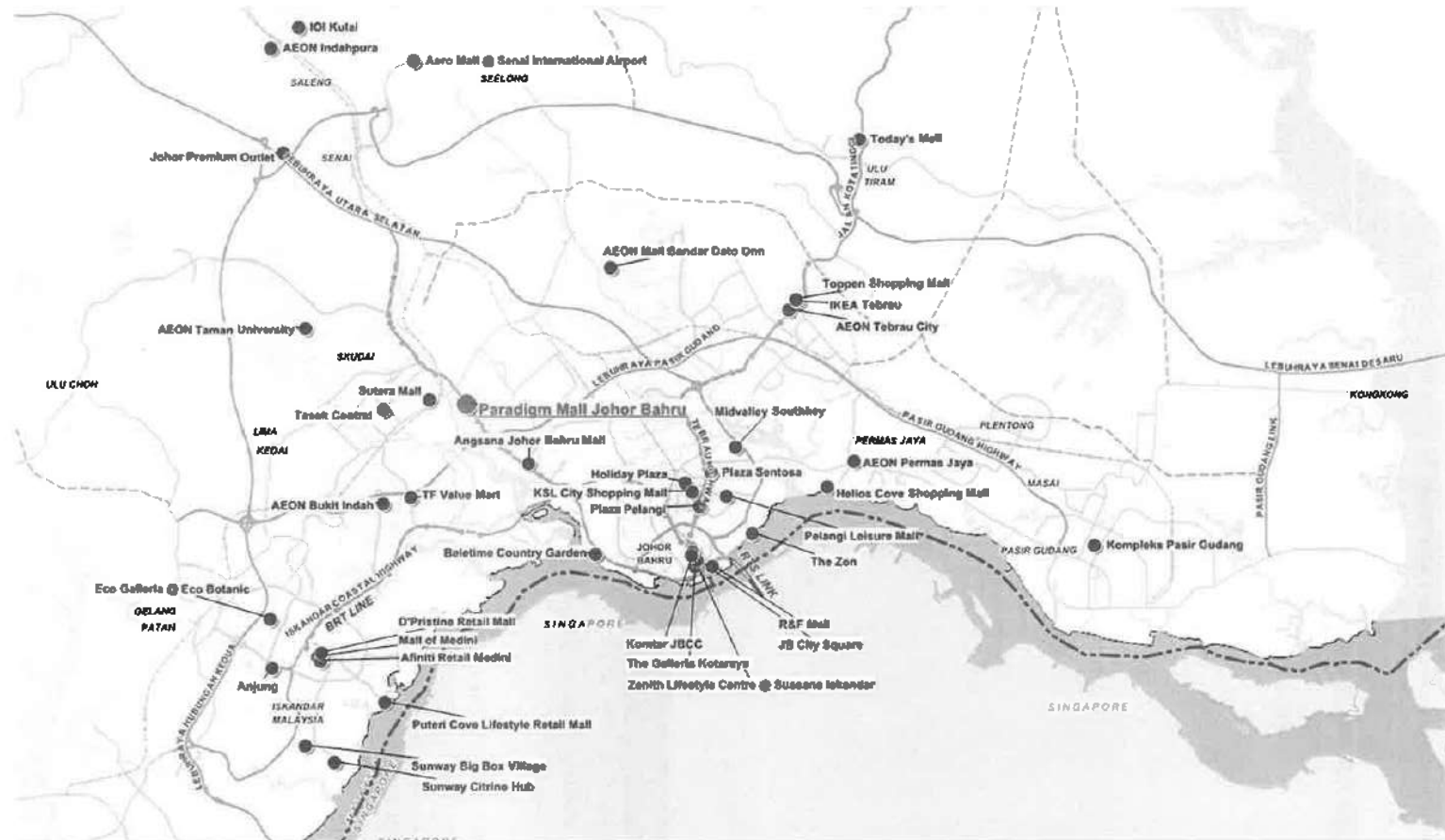
- Paradigm Mall Johor Bahru is located in the lively centre of Skudai, Johor Bahru. The mall is situated within a 15-minute drive from Customs, Immigration and Quarantine (CIQ) Complex and a 10-minute drive from Johor Bahru City Centre with direct access to major highways such as Skudai Highway, Pasir Gudang Highway, North-South Highway and Second Link Expressway. It is located outside of the northwestern border of Johor Bahru. The adjacent towns include Kulai, Iskandar Puteri, Pekan Nanas and the Johor Bahru suburbs. Skudai areas are mainly dotted with residential, industrial, and commercial buildings and educational institutions such as the University of Technology Malaysia and Southern University College. Besides Paradigm Mall Johor Bahru, several retail centres are nearby, including KIP Mall Tampoi, Perling Mall and Giant Tampoi. Several neighbourhood areas within the surrounding area include Taman Bukit Indah, Taman Tampoi Indah, Taman Dahlia, and Taman Tampoi Utama.
- Attached to the Paradigm Mall Johor Bahru is Hyatt Place Hotel; it is the first Hyatt Place hotel in Johor Bahru, featuring 200 units of guestroom, a café, a swimming pool, a fitness centre and a meeting space.
- In terms of public transportation, Paradigm Mall Johor Bahru can be accessed from several bus networks that connect towns to major cities, such as Larkin, Ayer Hitam, Kulai, Gelang Patah, Danga Bay, Senai Airport, Taman Universiti and JB Sentral, which will be directly connected to the upcoming RTS Link, stretching four kilometres from Bukit Chagar Station checkpoint to Woodlands North Station. The project has achieved another milestone and is scheduled for completion by the end of 2026.

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Figure 8.3a: Selected retail malls and infrastructure map in relation to Paradigm Mall Johor Bahru



Source: Savills Research

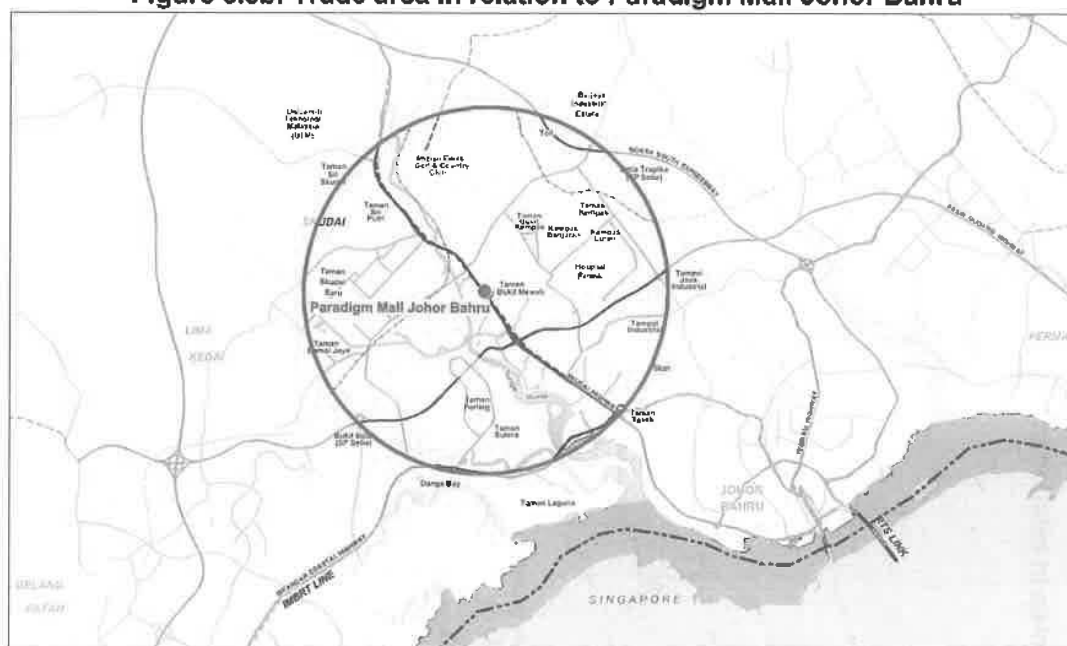
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8.3.3 Trade Area Analysis

Figure 8.3b: Trade area in relation to Paradigm Mall Johor Bahru



Source: Savills Research

Table 8.3a: Trade Area Analysis

Primary Trade Area (estimation)	
Residential Population, 2024	308,831 persons
Average Monthly Household Income, 2024	RM9,400

Source: Savills Research

- The primary trade area for Paradigm Mall Johor Bahru, as illustrated in Figure 8.3b, is defined by a 5-kilometre radius surrounding the retail mall.
- Paradigm Mall Johor Bahru enjoys prime accessibility, located 12.5km from Johor Bahru City Centre, with direct access to major highways such as Skudai Highway, Pasir Gudang Highway, North-South Highway, and Second Link Expressway. Paradigm Mall Johor Bahru is strategically located along the Skudai Highway within the Iskandar Malaysia region. The mall features multiple access points and is conveniently situated within proximity to key destinations, such as Legoland (15.0km), Iskandar Puteri (16.2km), Singapore Woodlands Checkpoint (15.4km), Tuas Checkpoint (30.0km), and Senai International Airport (20.4km).
- The main trade area has an estimated population of 308,831 people, 17.2% of the population in the District of Johor Bahru (1,800,000 persons), as of 2023. Population in the main trade area will continue increasing as several township developments are ongoing.
- The trade area has a mature residential base and stable population growth, with an estimated average monthly household income of RM9,400.

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8.3.4 Performance Analysis

8.3.4.1 Key Tenants

- The top 10 largest tenants by occupied NLA in Paradigm Mall Johor Bahru take up an aggregate of 37.1% of occupied NLA in the mall, whereby the majority of the spaces are taken up by supermarket and departmental store and IT, electronics and home furnishing categories.
- Table 8.3b below presents Paradigm Mall Johor Bahru's top 10 tenants by NLA as of 31 March 2025.
- Paradigm Mall Johor Bahru, with an NLA of 1,292,956 sq ft spread across seven retail levels, boasts a robust tenant mix. The mall features about 3,370 car park bays distributed over five levels, including one basement and four upper decks. The mall is home to the largest Parkson in Johor Bahru, occupying approximately 150,000 sq ft. It also hosts the first outlets in Johor for several brands, including Golden Screen Cinemas, Harvey Norman, Camp5, HomePro, Village Grocer, Blue Frost Ice Rink, Mythos & Showroom, Max, and Smiggle.
- The top 10 tenants, by total occupied NLA, account for 37.1% of the mall's occupied NLA. Parkson, a department store, occupies the largest NLA at 11.5%, HomePro at 5.1%, and Golden Screen Cinemas at 4.8%.

Table 8.3b: Paradigm Mall Johor Bahru's Top 10 Tenants by Occupied NLA

Rank	Tenant	Trade Category	% Occupied NLA
1	Parkson	Supermarket and Departmental Store	11.5%
2	HomePro	IT, Electronics and Home Furnishing	5.1%
3	Golden Screen Cinemas	Entertainment and Amusement	4.8%
4	Harvey Norman	IT, Electronics and Home Furnishing	3.5%
5	Village Grocer	Supermarket and Departmental Store	2.7%
6	Grand Sen Q	IT, Electronics and Home Furnishing	2.2%
7	Ruma	IT, Electronics and Home Furnishing	2.1%
8	Food Arcade	Food and Beverages	1.9%
9	Blue Frost Ice Rink	Entertainment and Amusement	1.8%
10	Mythos & Showroom	Fashion	1.5%
Total:			37.1%

Source: Paradigm REIT Management Sdn. Bhd.

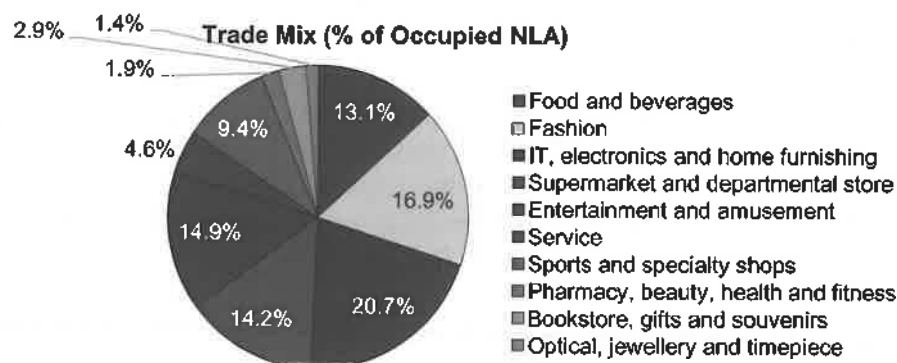
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8.3.4.2 Trade Mix

Figure 8.3c: Paradigm Mall Johor Bahru Trade Mix Analysis



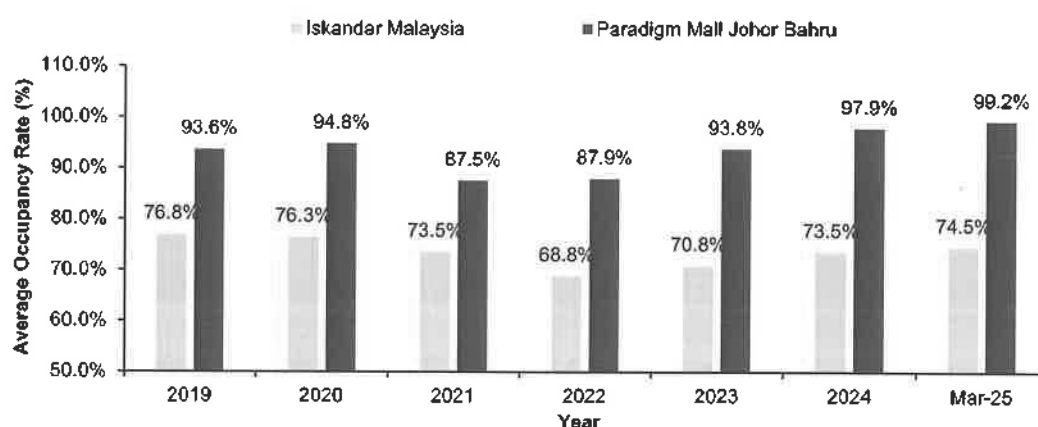
Source: Paradigm REIT Management Sdn. Bhd., Savills Research

Note: The categories of the above trade mix summarise a larger set of sub-categories and include shop and kiosk space.

- Paradigm Mall Johor Bahru offers a diverse trade mix, with the top three trade categories being: the first, occupying the largest space of occupied NLA, is IT, electronics and home furnishing (20.7%); the second is fashion (16.9%) and the third is entertainment and amusement (14.9%).
- IT, electronics and home furnishing category, contributing to 20.7% of occupied NLA, houses tenants such as SSF, Home's Harmony, Ruma, Mr. DIY, Harvey Norman, and HomePro, among others.
- The fashion category is also a significant part of the mall's trade mix, with well-known brands such as H&M, Levi's, Uniqlo, and Padini Concept Store occupying 16.9% of occupied NLA.
- Entertainment and amusement, which occupies 14.9% of occupied NLA, consists of tenants such as Blue Frost Ice Rink, Kidzooona & Molly Fantasy, VR+ Zone, Utopia - Jungle World, and Sing Cube, among others.

8.3.4.3 Occupancy Rate

Figure 8.3d: Paradigm Mall Johor Bahru's Occupancy Rate, 2019 - March 2025



Source: Paradigm REIT Management Sdn. Bhd.

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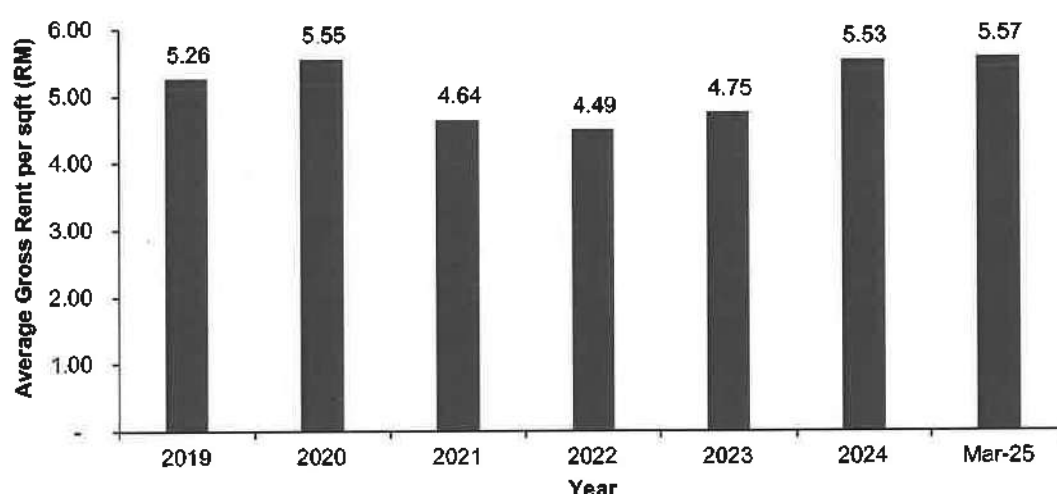


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- Paradigm Mall Johor Bahru is one of the few malls that have maintained an occupancy rate above 90.0% over the years, without considering when the pandemic hit.
- Despite that, occupancy rates picked up rather quickly, demonstrating resilient performance in the mall.
- The slight decline in occupancy rate to 87.5% in 2021 is attributed to the Movement Control Orders (MCO), which led to several lockdowns and has adversely affected the retail business. During this period, tenants might have opted not to renew leases or withdraw amidst risky circumstances.
- To date, the average occupancy rate in Paradigm Mall Johor Bahru has rebounded to 97.9% in 2024 and 99.2% as of March 2025, similarly on par with Mid Valley Southkey and AEON Tebrau, despite the malls' large size of more than one million sq ft of NLA.
- The average occupancy rates are projected to continue increasing in the following years, reflecting positive trends in retail demand and a diverse tenant mix.

8.3.4.4 Rents

Figure 8.3e: Paradigm Mall Johor Bahru's Average Monthly Rental Rate, 2019 - March 2025



Source: Paradigm REIT Management Sdn. Bhd.

- In 2023 and 2024, the average monthly gross rent at Paradigm Mall Johor Bahru was reported at RM4.75 per sq ft and RM5.53 per sq ft, respectively, indicating a steady recovery from a decline in 2021 and 2022 when rent fell to RM4.64 and RM4.49 per sq ft from RM5.55 per sq ft in 2020, primarily due to negative rental reversion for the lease renewed in 2021 and 2022 and non-renewal of lease, impacted by COVID-19 pandemic-related economic challenges. As of March 2025, the average monthly rent has further increased to RM5.57 per sq ft, reflecting continued recovery and outperforming the average gross rent recorded in 2019 and 2020 at RM5.26 and RM5.55, respectively.
- While the mall accommodates a diverse range of tenants, some larger tenants benefit from lower rental rates per sq ft due to the substantial spaces they lease, which affects the overall average rental rate.
- Paradigm Mall Johor Bahru is among the top-performing malls in Johor Bahru and stands to benefit from the economic recovery, which could further enhance its overall rental rates.

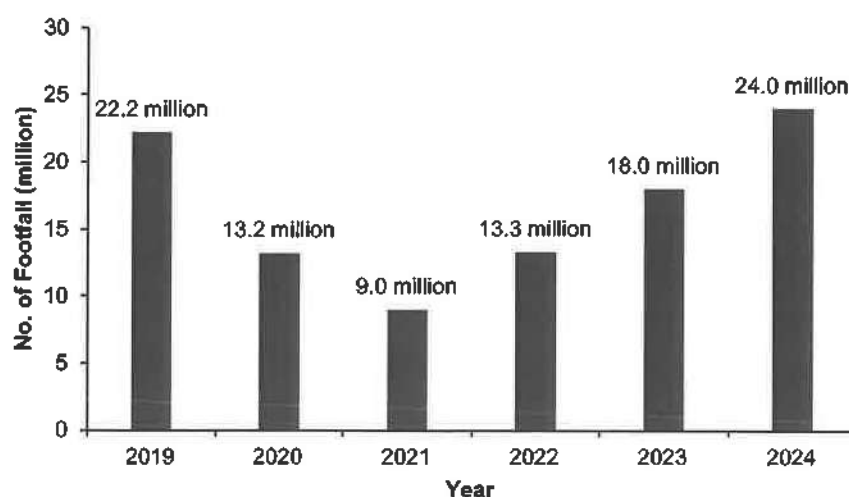
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8.3.4.5 Shopper Traffic

Figure 8.3f: Paradigm Mall Johor Bahru's Shopper Footfall, 2019 - 2024



Source: Paradigm REIT Management Sdn. Bhd.

- Figure 8.3f provides an estimation of footfall based on sensor technology. The sensor machine is placed strategically at several escalator points throughout the mall.
- The increase in footfall was due to the strategic addition of new tenants, which diversify the mall's offerings and increase its destination appeal.
- Shopper footfall is expected to remain high, considering the return of shoppers, especially from Singapore and several initiatives, such as introducing Escape Park into the air space common area and collaborating with tenants and Hyatt Hotel to increase footfall and sales.

8.3.5 SWOT Analysis

Strengths

- **Strategic location with high visibility:** Paradigm Mall Johor Bahru is strategically situated along the Skudai Highway within the Iskandar Malaysia Region, offering multiple access points. Its proximity to Senai Airport and the Causeway, which links Johor Bahru and Singapore, attracts substantial domestic and international travellers.
- **Convenient parking facilities:** Paradigm Mall Johor Bahru boasts 3,370 covered car park bays and EV charging stations. This abundant parking may reduce the hassle of finding a spot and enhance the shopping experience, leading to increased footfall and higher customer retention.
- **Expansive catchment area:** Paradigm Mall Johor Bahru benefits from an expansive catchment area, drawing substantial footfall from the surrounding residential neighbourhoods such as Skudai, Setia Tropika, Taman Perling, Mutiara Rini, and Bandar Baru Uda. Its main trade area, defined by a 5km radius, includes a residential population of 308,831 persons. This nearby population helps ensure a steady flow of foot traffic.
- **Diverse tenant mix:** Paradigm Mall Johor Bahru accommodates a wide array of tenants, including renowned brands like Village Grocer, Uniqlo, Cotton On, Padini, and H&M. The mall is also the first outlets in Johor for

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several brands, including GSC, Harvey Norman, Camp5, HomePro, Blue Frost Ice Rink, Mythos & Showroom, Max, and Smiggle. It also hosts the largest Parkson in Johor Bahru, spanning 150,000 sq ft.

- **Digital Interaction and loyalty programme:** Paradigm Mall Johor Bahru enhances the shopping experience with its WCT Buddy mobile app, providing digital membership system. The app allows customers to track rewards, receive personalised recommendations, and enjoy cashless transactions. The WCT Buddy loyalty program further strengthens customer retention by offering exclusive privileges, redeemable Buddy points, and the WCT Voucher Bonanza Sale, where customers can purchase WCT cash vouchers at discounted rates directly through the app, enhancing savings. These initiatives foster a strong connection between the mall and its shoppers, further enhancing the overall shopping experience.

Weaknesses

- **Limited public transport connectivity:** Paradigm Mall Johor Bahru faces challenges due to the absence of a comprehensive public transportation network in Johor Bahru, such as rail transit systems. Unlike malls in more urbanised areas with access to LRT or MRT systems, Paradigm Mall Johor Bahru relies heavily on private vehicles for access.
- **Mall maintenance and enhancement:** Paradigm Mall Johor Bahru may need thorough upkeep and maintenance, such as exterior and interior painting and façade renovation, to enhance the mall's appeal and the shoppers' experience.

Opportunities

- **Improving transportation infrastructure:** The Johor Bahru retail market landscape is set for exciting growth with the upcoming Johor Bahru-Singapore RTS Link and the elevated Automated Rapid Transit (ART) system. The RTS Link is projected to transport approximately 10,000 passengers per hour in each direction, stimulating the economy in Johor Bahru. Meanwhile, the proposed ART system, spanning over 50 kilometres with 32 stations, will further enhance connectivity and accessibility in Johor Bahru.
- **High inflation in Singapore:** As the cost of living rises, consumers may seek alternative shopping destinations with lower prices. Johor Bahru's proximity to Singapore allows the mall to benefit from currency exchange advantages. With a favourable exchange rate for Singaporean visitors, Paradigm Mall Johor Bahru can attract more shoppers from across the border seeking value for their money.

Threats

- **Competition from other malls:** Johor Bahru features several prominent malls, including AEON Mall Bukit Indah, Sutera Mall, and Mid Valley Southkey, among others. These competing malls intensify competition for footfall and consumer spending. Visitors may opt for alternative shopping destinations that offer unique attractions or experiences, diverting footfall away from Paradigm Mall Johor Bahru and impacting its overall performance. Besides, the recent opening of The Commune Lifestyle Mall (150,000 sq ft NLA) in Q3/2024, along with the upcoming Horizon Mall (150,000 sq ft NLA), expected completion in 2025; SKS City Mall JBCC (280,000 sq ft NLA), a revamp of Pacific Mall, expected to be completed in 2025 as well as the upcoming Coronation Square could potentially dilute the retail market share in Johor Bahru.

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8.3.6 Comparative Analysis

Table 8.3d: Comparative Analysis of Paradigm Mall Johor Bahru's Competitors

Description	Sutera Mall	Toppen Shopping Centre	Mid Valley Southkey	KSL City Mall	AEON Tebrau City
Distance from Paradigm Mall Johor Bahru (km)	6.0	15.5	15.1	11.7	14.5
Net Lettable Area (sq ft)	700,000	1,100,000	1,500,000	600,000	1,347,000
Location	Taman Sutera Utama	Tebrau	Tebrau	Taman Abad	Jalan Tebrau
Est. Occupancy Rate (2024)	83%	69%	90%	63%	95%
Date of Completion	2008 / 2014 (extension)	Q4/2019	Q2/2019	2010	Q1/2006 & New wing in Q3/2016
No. of Floors (excl basement)	3	4	5	4	3
Levels of Retail	3	5	6	4	3
No. of Car Park Bays	N/A	1,600	5,585	2,800	N/A
Classification of mall	Regional	Megamall	Megamall	Regional	Megamall
Ownership	Tanah Sutera Development Sdn Bhd	Ikano Centres	IGB Berhad	KSL Holdings Bhd	AEON Co.
Positioning	Middle-income level	Middle-income level	Upper-middle to upper-income level	Middle-income level	Middle-income level
Target Market	Young adults, teenagers and tourists.	Families and teenagers.	Affluent families and tourists.	Young adults, teenagers and tourists.	Families and teenagers.
Anchor/ Notable Tenant(s)	Key Anchor: AEON BiG Key Tenants: Mr. DIY, SenQ, KFC, Burger King and Machines	Key Anchors: IKEA Tebrau, TGV Cinemas, Harvey Norman, Sports Direct.com and Nitori	Key Anchor: SOGO Reputable Tenants: Dior, Coach, Chanel and Yves Saint Laurent	Key Anchors: Lotus's, Golden Screen Cinemas (GSC)	Key Anchors: AEON, TGV Cinema Key Tenant: Rocky Basecamp, Charles & Keith, Converse.

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				Key Tenants: F.O.S, Sports Direct.com, Machines, Converse and Mr. DIY	Cotton On, Estee Lauder, F.O.S, M.A.C and Sephora.
Remarks	• It received the Editor's Choice Award 2019 for being an exemplary retail mall and won Silver in the 10 years and above retail category at EdgeProp Malaysia's Best Managed Property Awards 2019. • It hosts Johor Bahru's first full-fledged mall library, My Library, with 60,000 books. • It features the Kuru Kuru Shop, a venue for donating and redistributing usable items. • It was observed that there is a GoCart in the parking area. • It was observed that the mall predominantly hosts local brand tenants.	• It was observed that it is particularly appealing to families, as evidenced by its extensive selection in the edutainment or play areas for kids. • Attractions include The Parenthood, Malaysia's largest family park, as well as Hey Preschool Kidz, The Little Gym Malaysia, Olymkids, The Pet Safari, Skatepark, Stars Archery, and Game on Theme Park, all contributing to its family-friendly ambience.	• It hosts many luxury or premium brands. • It was observed that the mall attracts a significant number of Singaporean tourists. • It was noticed that the selection of tenants aligns with the preferences of Singaporean visitors, indicating a tailored approach to cater to their needs.	• It has a diverse range of local beauty services tenants. • There is a food street featuring numerous local food stalls offering a variety of local cuisine options. • It was observed that shoppers at the mall are likely to include tourists, especially with the convenient location of KSL Hotel & Resort above it.	• High footfall is observed within the mall, indicating its popularity and attractiveness among shoppers. • A significant presence of youngsters among the crowd visiting the mall was observed. • The presence of renowned fashion and beauty brands like Sephora within the mall's tenant mix was observed.

Source: Savills Research

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- Out of the 17.8 million sq ft of retail space in Iskandar Malaysia, Paradigm Mall Johor Bahru contributes about 1.3 million sq ft, representing 7.3% of total retail space.
- Situated towards the western side of Johor Bahru, Paradigm Mall Johor Bahru serves a different demographic and catchment compared to other large malls like Toppen Shopping Centre, AEON Tebrau, and Mid Valley Southkey, which are all located towards the eastern side of the city. The overlap of catchment is minimal, considering the different locations of the malls. The mall also houses the Paradigm Mall Convention Centre (PMCC), which significantly boosts foot traffic, particularly during the day.
- The NLA of Mid Valley Southkey of approximately 1.5 million sq ft includes the presence of more international high-end brands, focusing more on high-end retailers, which positions the mall as a destination for luxury shopping.
- Despite both Mid Valley Southkey and Paradigm Mall Johor Bahru having more than 1 million sq ft of NLA, each mall has unique characteristics that distinguish them from one another. While Paradigm Mall Johor Bahru offers a diverse tenant mix that includes a range of services, F&B options, and a variety of retail stores, Mid Valley Southkey leans more heavily towards being a dedicated shopping destination, emphasising high-end brands and a more focused retail experience.
- Toppen Shopping Centre differentiates itself with its high focus on lifestyle and recreational activities offered by Funmax, The Little Gym, KF Kiddy Circuit, Olymkids, The Parenthood, and Cobay, among others, representing approximately 16% of its tenant mix, catering towards families with kids demographic. The mall's layout and offerings encourage visitors to shop and engage in various activities. This is achieved through multiple amenities, including sports facilities (badminton and basketball courts), theme parks and kid's playgrounds and a rooftop garden for events.
- AEON Tebrau, while sharing the same catchment area as Toppen Shopping Centre, seems to have a more diverse tenant mix, similar to Paradigm Mall Johor Bahru, but with a lesser number of retailers.
- Even though Paradigm Mall Johor Bahru is located near Sutera Mall, the two shopping centres do not directly compete because both malls offer distinct retail experiences with minimal overlap in merchandise and brands. Sutera Mall has a product mix that tends to appeal more to Chinese shoppers, with a focus on Asian retailers and local brands.
- Over the years, Johor's retail landscape has undergone a significant transformation, marked by a growing number of retailers expanding into the region and malls adapting to current retail trends such as cashless payments and experiential retail.
- This evolution is driven by the dynamic needs of consumers and a more competitive market, leading to a shift toward experiential retail that offers more than just shopping.

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**8.3.7 Future Outlook of the Mall**

- Paradigm Mall Johor Bahru has attracted local and international shoppers, mainly from Singapore, thanks to its diverse tenant mix. However, several proposed large shopping malls in Johor Bahru will add to the retail landscape by 2028, intensifying competition. These include the proposed malls in Coronation Square and the W City Larkinton Johor Bahru developments.
- To remain competitive, the existing malls in Johor Bahru, including Paradigm Mall Johor Bahru, will need to continue to embrace experiential retail. This involves offering entertainment zones, sports facilities, and interactive activities to enhance shopper engagement and encourage extended visits. As experiential retail gains traction, malls are expected to evolve into multi-purpose destinations that cater to a diverse demographic.
- The strength of Paradigm Mall Johor Bahru lies in its focus on providing a diverse tenant mix with a variety of options for each trade category, such as F&B, edutainment or play areas for kids, event hall, an ice-skating rink, a wide range of fashion retailers, and sports-related activities. This variety enhances its appeal and customer experience.
- While Paradigm Mall Johor Bahru faces the challenge of sustaining its appeal and retaining its shopper base, the absence of new megamalls opening in the near future presents an opportunity for Paradigm Mall Johor Bahru to modernise and enhance its offering to meet changing shopper expectations.

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TAX CONSULTANT'S LETTER ON TAXATION OF PARADIGM REIT AND UNITHOLDERS



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c/o WCT Holdings Berhad
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Selangor Darul Ehsan, Malaysia

RHB Trustees Berhad (as Trustee of Paradigm REIT)
Level 11, Tower Three
RHB Centre, Jalan Tun Razak
50400 Kuala Lumpur

18 April 2025

Dear Sirs

Re: Taxation of Paradigm Real Estate Investment Trust ("REIT") (hereinafter referred to as "Paradigm REIT") and Unitholders

This letter has been prepared for inclusion in the prospectus to be issued by Paradigm REIT in relation to the proposed initial public offering of the units in Paradigm REIT ("Prospectus").

The purpose of this letter is to provide prospective unitholders with an overview of the Malaysian tax consequences of acquisition, ownership and disposal of these units as well as the key tax provisions applicable to Paradigm REIT. This letter principally addresses unitholders who hold the units as long-term investment assets. Unitholders who hold or acquire the units for dealing and / or trading purposes should consult their own professional advisers concerning the tax consequences of their situations.

The Malaysian tax position is based on the interpretation of the Malaysian tax laws and provisions as they stand at present. Please note that these interpretations of the Malaysian tax laws and provisions may be subject to change, possibly with a retrospective effect. We have not been retained nor are we obliged to monitor or update the statements for the subsequent changes or modifications to the legislation, regulations thereunder, and judicial and administrative interpretations thereof.

TAX CONSULTANT'S LETTER ON TAXATION OF PARADIGM REIT AND UNITHOLDERS (Cont'd)*Taxation of Paradigm Real Estate Investment Trust and Unitholders*

In addition, this letter provides the general taxation of REITs and investors in Malaysia and is not specific advice to any particular investor. We recommend that investors obtain independent advice on the tax issues associated with their respective investments in the REIT.

1.0 Taxation of Paradigm REIT**1.1 Income Tax**

Paradigm REIT is regarded as a tax resident and treated as a unit trust for Malaysian tax purposes. The taxation of Paradigm REIT is therefore governed principally by Sections 61, 61A and 63C of the Malaysian Income Tax Act, 1967 ("Act").

The income of Paradigm REIT, consisting of rental, interest (other than interest which is exempt from income tax) and other investment income derived from or accruing in Malaysia (after deducting allowable expenses), will be subject to tax at the prevailing tax rate of 24%.

Currently, pursuant to Section 61A of the Act, income of Paradigm REIT will be exempted from income tax for a Year of Assessment ("YA") if Paradigm REIT is listed on Bursa Malaysia Securities Berhad ("Bursa Securities") and distributes at least 90% of its total income to unitholders in the basis period for a YA. Note however that based on Paragraph 12.1 of the Public Ruling No. 5/2017 – Taxation of Real Estate Investment Trust or Property Trust Fund issued by the Inland Revenue Board ("IRB"), the IRB has given a concession for such distribution of the REIT's total income to be made within two months after the close of the financial year which forms the basis period for a YA of the REIT to be exempted under Section 61A of the Act.

If the 90% distribution condition is not complied with or the 90% distribution is not made within two months after the close of Paradigm REIT's financial year which forms the basis period for a YA, Paradigm REIT will be subject to income tax at the prevailing tax rate on its total income. Income which has been taxed at the Paradigm REIT's level will have tax credits attached when subsequently distributed to unitholders.

In arriving at its chargeable income, Paradigm REIT will be entitled to deduct expenses which are incurred wholly and exclusively in the production of that gross rental income. In addition, based on the Income Tax (Deduction for Establishment Expenditure of Real Estate Investment Trust or Property Trust Fund) Rules 2006, establishment expenditure (i.e. legal, valuation and consultancy fees) incurred for the purpose of establishing Paradigm REIT prior to approval by the Securities Commission Malaysia ("SC") is also deductible as it is deemed to have been incurred in the basis period.

Rental income derived from the letting of real property by Paradigm REIT is deemed to be a business source of income. In view of this, Paradigm REIT is entitled to claim capital allowances ("CA") on qualifying capital expenditure incurred on plant and machinery in ascertaining the statutory income pursuant to Schedule 3 of the Act.

However, any unutilised CA or business losses arising from the rental source cannot be carried forward to future YAs nor can these be deducted against Paradigm REIT's other sources of income for that YA.

TAX CONSULTANT'S LETTER ON TAXATION OF PARADIGM REIT AND UNITHOLDERS (Cont'd)*Taxation of Paradigm Real Estate Investment Trust and Unitholders***1.2 Exempt Income**

Paradigm REIT may receive other tax exempt income as follows:

i. Dividends

Under the single-tier system, dividend income received from a resident company is fully exempted from tax pursuant to Paragraph 12B, Schedule 6 of the Act. As such, tax exempt dividend income received by a REIT will not be included in computing its total income. The expenses incurred in respect of the single-tier dividend are disregarded.

ii. Gains from the Realisation of Investments

As Paradigm REIT is a unit trust, gains from the realisation of investments by Paradigm REIT will be subject to income tax as gains or profits arising from the disposal of a capital asset pursuant to Section 61(1)(b) of the Act. However, where such realisation of investments relates to real property as defined in the Real Property Gains Tax ("RPGT") Act, 1976, the gains shall not be treated as income of the trust body of the trust.

Based on the Income Tax (Amendment) Act 2024 (effective 21 May 2024), "capital asset" is defined as:

- a) movable or immovable property situated outside Malaysia including any rights or interests thereof; or
- b) movable property situated in Malaysia which is a share of a company incorporated in Malaysia not listed on the stock exchange (including any rights or interests thereof) owned by a company, limited liability partnership, trust body or co-operative society.

Notwithstanding the above, an exemption on capital gains tax for unit trust funds from 1 January 2024 to 31 December 2028 has been gazetted on 19 September 2024 in relation to payment of income tax of any gains or profit received from the disposal of unlisted shares of a company incorporated in Malaysia from a qualifying unit trust (excluding a unit trust which is approved by the SC as a REIT or Property Trust Fund listed on Bursa Securities) resident in Malaysia.

Hence, the said exemption would not be applicable to Paradigm REIT as Paradigm REIT has been approved by the SC as a REIT listed on Bursa Securities.

iii. Interest / Discount

The interest or discount earned by Paradigm REIT (which is considered to be a unit trust) from the following investments is exempted from tax pursuant to Paragraph 35 of Schedule 6 of the Act:

- a) Securities or bonds issued or guaranteed by the Government; or
- b) Sukuk or debentures, other than convertible loan stock, approved or authorised by, or lodged with, the SC; or
- c) Bon Simpanan Malaysia issued by the Central Bank of Malaysia.

TAX CONSULTANT'S LETTER ON TAXATION OF PARADIGM REIT AND UNITHOLDERS (Cont'd)*Taxation of Paradigm Real Estate Investment Trust and Unitholders*

In addition to the above, the following interest received by Paradigm REIT is also exempted from Malaysian income tax:

- a) Any savings certificates issued by the Government; or
- b) A bank licensed under the Financial Services Act 2013, an Islamic bank licensed under the Islamic Financial Services Act 2013 or a development financial institution prescribed under the Development Financial Institutions Act 2002; or
- c) Bonds and securities issued by Pengurusan Danaharta Nasional Berhad.

1.3 Foreign Sourced Income

Based on the Finance Act 2021 which was gazetted on 31 December 2021, foreign sourced income derived by Malaysian tax residents, which is received in Malaysia will be taxable effective 1 January 2022.

Notwithstanding the above, an exemption on foreign source income for unit trust funds received in Malaysia from 1 January 2024 to 31 December 2026 has been gazetted on 19 September 2024. The said exemption is subject to the following conditions are fulfilled:

- The gross income of the qualifying unit trust has been subjected to tax of a similar character to income tax under the law of the territory which the income arises and the highest rate of tax of a similar character to income tax under the law of the territory which the income arises at that time is not less than 15%; or
- The management company of the qualifying unit trust shall employ an adequate number of employees in Malaysia and incur an adequate amount of operating expenditure in Malaysia.

"Qualifying unit trust" excludes a unit trust which is approved by the SC as a REIT or Property Trust Fund listed on Bursa Securities. As such, the said exemption would not be applicable to Paradigm REIT as Paradigm REIT has been approved by the SC as a REIT listed on Bursa Securities.

1.4 RPGT

Gains arising from the disposal of real property will be subject to RPGT under the RPGT Act, 1976.

The RPGT rates are as follows:

Date of disposal	Rates of RPGT (%)
Disposal within 3 years after date of acquisition	30
Disposal in the 4 th year after date of acquisition	20
Disposal in the 5 th year after date of acquisition	15
Disposal in the 6 th year after date of acquisition or thereafter	10

Where the REIT is approved by the SC, any gain on the disposal of real property by the disposer to the REIT is exempted from RPGT pursuant to the Real Property Gains Tax (Exemption)(No.4) Order 2003 [P.U.(A) 451/2003]. However, the disposal of a chargeable asset by a REIT may be subject to RPGT except where specifically exempted (for example where disposal of chargeable asset is made to another REIT).

TAX CONSULTANT'S LETTER ON TAXATION OF PARADIGM REIT AND UNITHOLDERS (Cont'd)*Taxation of Paradigm Real Estate Investment Trust and Unitholders*

Based on the Finance Act 2024 which was gazetted on 31 December 2024, effective from 1 January 2025 onwards, RPGT has moved to a self-assessment basis whereby the RPGT return will need to be filed online within 60 days from the date of disposal and the due date to remit the RPGT payable under the deemed assessment has been extended to 90 days.

1.5 Stamp Duty

Pursuant to the Stamp Duty (Exemption)(No.4) Order 2004 (Amendment) Order 2020 [P.U.(A) 154/2020], all instruments of transfer of real property to a trustee of the REIT approved by the SC are exempted from stamp duty. Similarly, all instruments of deed of assignment executed between the approved REIT and the disposer in relation to the purchase of real property are also exempted from stamp duty under Stamp Duty (Exemption)(No.27) Order 2005 [P.U.(A) 484/2005].

Based on the above, where Paradigm REIT (as a REIT approved by the SC) acquires real property, Paradigm REIT will be exempted from stamp duty in respect of all instruments of transfer of real property to Paradigm REIT.

1.6 Capital Gains Tax ("CGT")

Effective 1 January 2024, CGT is applicable on the gains made by companies, limited liability partnerships, trust bodies and co-operative societies (regardless whether incorporated in or outside Malaysia) from:

- a disposal of shares in companies incorporated in Malaysia not listed on the stock exchange;
- a disposal of shares of a controlled company incorporated outside Malaysia which owns real property in Malaysia or shares of another controlled company, subject to meeting the 75% threshold conditions; and
- a disposal of capital assets situated outside Malaysia, when the gains are received in Malaysia.

Based on the above, where Paradigm REIT is listed on Bursa Securities, no CGT implications should arise from the disposal of listed units of Paradigm REIT.

2.0 Taxation of Unitholders**2.1 Income Tax**

For Malaysian income tax purposes, unitholders will be taxed on their share of the distribution received from Paradigm REIT. The income of unitholders from their investment in Paradigm REIT broadly falls under the following categories:

a) Distribution of income which is tax exempted at the REIT's level

If Paradigm REIT distributes 90% or more of its total income in a YA, the REIT is exempted from tax for that YA. Instead, unitholders are liable for tax (at the applicable tax rates as tabulated in Note 1 below) on the distribution of income and are taxed in the YA they receive the distribution income. Since the income distributed by the REIT is tax exempted, no tax credit would be available to the unitholders. The tax charged on the distribution of income is a final tax.

TAX CONSULTANT'S LETTER ON TAXATION OF PARADIGM REIT AND UNITHOLDERS (Cont'd)*Taxation of Paradigm Real Estate Investment Trust and Unitholders*

Note 1: The applicable tax rate for unitholders depends on their residence status. The prevailing tax rates are as follows:

Unitholders	Type of tax	Tax rates
A. Company (i) Resident (ii) Non-resident	Corporate Withholding tax ("WHT") (final tax) ¹	Note 2 24%
B. Foreign institutional investor	WHT (final tax) ¹	10%
C. Non-corporate investor (resident and non-resident)	WHT (final tax) ¹	10%

Note 2: There is no WHT on distribution from the REIT to resident company, however the distribution is subject to the prevailing corporate income tax of 24%.

For resident corporate unitholders with a paid-up capital in respect of ordinary shares of RM2.5 million and below at the beginning of the basis period for a YA and gross income from source or sources consisting of a business not exceeding RM50 million for the basis period for that YA, it will be subjected to a tax rate of 15% (with effect from YA 2023) on chargeable income of up to RM150,000, 17% on chargeable income of up to next RM450,000. For chargeable income in excess of RM600,000, the prevailing corporate income tax rate of 24% is applicable.

b) Distribution of income that has been taxed at the REIT's level

If less than 90% of the total income of Paradigm REIT in the basis period for a YA is distributed to unitholders, Paradigm REIT is not entitled to enjoy the tax exemption under Section 61A of the Act and thus subject to corporate income tax at the REIT's level. The unitholders who receive income distribution which has been subject to tax at the REIT's level would be subject to tax. In such a situation, the unitholders will be eligible to claim a tax credit for set-off against their tax payable pursuant to Section 110(9A) of the Act.

¹ Effective from YA 2021, Section 109D of the Act has been amended to give effect to the IRB's practice of regarding the WHT deducted from the income distributed by REIT as a final tax. In view of this, the income distribution received by unitholders where WHT has been deducted shall be disregarded for the purpose of ascertaining the chargeable income of the unitholders in the basis period for a YA. The final WHT of 10% applicable to foreign institutional investors and non-corporate investors are applicable up to YA 2025.

TAX CONSULTANT'S LETTER ON TAXATION OF PARADIGM REIT AND UNITHOLDERS (Cont'd)*Taxation of Paradigm Real Estate Investment Trust and Unitholders*

The unitholders are required to declare the distribution of such income from Paradigm REIT in their income tax return form and bring it to tax at the applicable tax rates as tabulated below:

Unitholders	Malaysian Tax Rate (Current)
A. Tax resident unitholders	
a. Individual and non-corporate unitholders	• Progressive tax rates ranging from 0% to 30%
b. Co-operative societies	• Progressive tax rates ranging from 0% to 24%
c. Trust bodies	• 24%
d. Corporate unitholders	
i. Micro, Small and Medium Enterprises ("MSME") ²	• 15% on the first RM150,000 of chargeable income • 17% on next RM450,000 of chargeable income • 24% for chargeable income in excess of RM600,000
ii. Companies other than (i) above	• 24%
B. Non-tax resident unitholders	
a. Individual and non-corporate unitholders	• 30%
b. Corporate unitholders and trust bodies	• 24%

² An MSME is defined as a company resident and incorporated in Malaysia which has a paid-up capital of ordinary shares of RM2.5 million and less at the beginning of the basis period of a YA and gross income from its business sources not exceeding RM50 million in a basis period for the YA provided:

- not more than 50% of the paid-up capital in respect of ordinary shares of the company is directly or indirectly owned by a related company;
- not more than 50% of the paid-up capital in respect of ordinary shares of the related company is directly or indirectly owned by the first mentioned company; or
- not more than 50% of the paid-up capital in respect of ordinary shares of the first mentioned company and the related company is directly or indirectly owned by another company.

A "related company" in this context means a company which has a paid-up capital in respect of ordinary shares of more than RM2.5 million at the beginning of the basis period for a YA.

Based on the IRB's Practice Note No. 4/2020, an MSME which falls under the following categories will not qualify for the preferential tax treatment: -

- Has no gross income from business sources taxed under Section 4(a) of the Act, notwithstanding that it has other non-business income sources such as rent and interest. This excludes SMEs that have no gross business income and are incurring business tax losses or SMEs that have temporarily closed their business operations; and
- Is an unlisted investment holding company taxed under Section 60F of the Act.

Effective from YA 2024 onwards, a company can no longer enjoy MSME preferential tax rates if more than 20% of its paid-up ordinary share capital at the beginning of the relevant YA is directly or indirectly owned by a company or companies incorporated outside Malaysia or an individual or individuals who are not Malaysian citizens.

TAX CONSULTANT'S LETTER ON TAXATION OF PARADIGM REIT AND UNITHOLDERS (Cont'd)*Taxation of Paradigm Real Estate Investment Trust and Unitholders*c) Distribution of tax exempt income received by Paradigm REIT

The distribution of tax exempt income (such as tax exempt dividends and dividends* declared under the single-tier system in which the income tax payable on the chargeable income of a company is a final tax in Malaysia) received by Paradigm REIT (other than income exempted at Paradigm REIT's level due to distributions of profits in the same basis period) will not be subject to tax in the hands of the unitholders. Any gains realised by the unitholders (other than companies, limited liability partnerships, trust bodies and co-operative societies) from the transfers or redemptions of the units are generally treated as capital gains which are not subject to income tax in Malaysia. However, certain unitholders may be subject to tax in Malaysia on such gains, due to specific circumstances of the unitholders.

Note*: Based on the Finance Act 2024 which was gazetted on 31 December 2024, dividend tax at the rate of 2% has been introduced on annual dividend income exceeding RM100,000 received by individual shareholders which consist of resident and non-residents, as well as individuals who hold shares through nominees with certain exemptions, effective from 1 January 2025 onwards. As of 31 March 2025, the details of the exemption are yet to be released by the Government or IRB.

2.2 Disposal by Unitholders

Unless the unitholders are in the business of dealing in investment, any profit arising from the disposal of units should generally not be subject to income tax as such profits are considered capital in nature. However, certain unitholders may be subjected to income tax in Malaysia on such gains (e.g. financial institutions, insurance companies and those dealing in securities) or due to specific circumstances of the unitholders (e.g. actively buying and selling the units on a regular basis).

Notwithstanding the above, effective 1 January 2024, the disposal of unlisted shares in companies incorporated in Malaysia would be subjected to CGT. Please note that CGT is not applicable to individuals.

Given that Paradigm REIT will be listed on Bursa Securities, there should not be any CGT implications for the unitholders on the disposal of Paradigm REIT units.

2.3 Unit Split and Reinvestment of Distribution

Unit split represents the process of creating additional units to existing unitholders by lowering unit prices proportionately. There is no tax implication as it offers no additional value to the unitholders.

For reinvestment of distribution, the distribution of income by Paradigm REIT could be made via cash or reinvested into units in the REIT. In this event, the unitholders will be deemed to have received the distribution and the taxability of distribution of income has been explained in items 2.1(a) and (b) above.

2.4 Stamp Duty

The transfer of units in Paradigm REIT by the unitholders will be exempted from stamp duty pursuant to Paragraph (c) of Exemptions under Item 32, First Schedule of the Stamp Act, 1949.

TAX CONSULTANT'S LETTER ON TAXATION OF PARADIGM REIT AND UNITHOLDERS (Cont'd)*Taxation of Paradigm Real Estate Investment Trust and Unitholders***3.0 Service Tax****3.1 Service Tax on Paradigm REIT**

Sales tax and service tax are two separate indirect taxes in Malaysia governed by the Sales Tax Act 2018 and Service Tax Act 2018 respectively. On the basis that Paradigm REIT is not involved in any manufacturing activities which may have sales tax implications, only service tax should be applicable to Paradigm REIT's provision of services.

There should currently be no service tax implications on the rental income received by Paradigm REIT on the basis that pure rental of property (without any provision of services) does not fall under the scope of taxable services listed under the First Schedule of the Service Tax Regulations 2018 ("STR 2018"). There should also currently be no service tax implications on the interest and other investment income received by Paradigm REIT on the basis that there are no elements of taxable services involved. Please see item 3.6 below on the proposed expansion of service tax scope.

In addition, where Paradigm REIT also provides any taxable services such as management and maintenance or repair services to the tenants, and the value of such services exceeds the registration threshold of RM500,000 in a period of 12 months, Paradigm REIT should be liable to register and charge 8% service tax on such services, unless service tax exemptions / exclusions can apply.

The disposal of properties, if any, by Paradigm REIT should not be subject to service tax.

3.2 Service Tax on the Acquisition of Services by Paradigm REIT

Where Paradigm REIT acquires any taxable services which fall under the First Schedule of the STR 2018 from service tax registered persons, such taxable services provided to Paradigm REIT would be subject to service tax unless they can qualify for any service Tax exemptions / exclusions. Any service tax incurred is generally not recoverable / creditable and would be a cost to Paradigm REIT.

3.3 Service Tax on Imported Taxable Services

Effective 1 January 2019, where any person acquires taxable services from overseas service providers, he is required to self-account for service tax on such imported taxable services.

Where Paradigm REIT acquires services from overseas service providers which fall under the scope of taxable services listed under the First Schedule of the STR 2018, Paradigm REIT is required to self-account for service tax on such imported taxable services, unless service tax exemptions / exclusions can apply. Any service tax incurred is generally not recoverable / creditable and would be a cost to Paradigm REIT.

3.4 Service Tax on Digital Services

Effective 1 January 2020, a foreign service provider who provides digital services to consumers in Malaysia which exceed the registration threshold of RM500,000 in a period of 12 months is liable to register for Service Tax on Digital Services ("SToDS") in Malaysia. Once registered, the foreign registered person ("FRP") is required to charge service tax on its digital services provided to consumers in Malaysia.

TAX CONSULTANT'S LETTER ON TAXATION OF PARADIGM REIT AND UNITHOLDERS (Cont'd)*Taxation of Paradigm Real Estate Investment Trust and Unitholders*

Where Paradigm REIT acquires any digital services from a FRP, the FRP should charge 8% Service Tax on its digital services. On the other hand, where Paradigm REIT acquires digital services from overseas service providers who are not registered for SToDS, Paradigm REIT is required to self-account for 8% Service Tax on such imported digital services.

3.5 Service Tax on Unitholders

Unitholders are entitled to receive distribution from investment in Paradigm REIT. Distribution income should not be subject to service tax.

3.6 Expansion of Service Tax Scope

Based on the Budget 2025 announcement on 18 October 2024, the Government has proposed an expansion to the service tax scope to include new services effective 1 May 2025. As of 31 March 2025, the details of the expansion are yet to be officially released by the Government or Royal Malaysian Custom Department.

We confirm that the statement made in this report correctly reflects our understanding of the tax position under the current Malaysian tax legislation and the interpretation thereof.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Tai Lai Kok', written over a horizontal line.

Tai Lai Kok
Executive Director

KPMG Tax Services Sdn Bhd has given written consent to the inclusion of the report as Taxation Adviser in the form and context in which it appears in this Prospectus and has not withdrawn such consent prior to the delivery of a copy of this Prospectus for approval.

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION



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REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA STATEMENT OF FINANCIAL POSITION

(Prepared for inclusion in the prospectus in connection with the listing of units of Paradigm Real Estate Investment Trust)

21 April 2025

The Board of Directors
Paradigm REIT Management Sdn. Bhd. (the "Manager")
B-29-03, The Ascent, Paradigm
No. 1, Jalan SS7/26A, Kelana Jaya
47301 Petaling Jaya, Selangor
Malaysia

The Board of Directors
WCT Holdings Berhad (the "Sponsor")
B-30-01, The Ascent, Paradigm
No. 1, Jalan SS7/26A, Kelana Jaya
47301 Petaling Jaya, Selangor
Malaysia

Dear Sirs

Report on the Compilation of Pro Forma Statement of Financial Position for the Listing of 1,600,000,000 Units of Paradigm Real Estate Investment Trust on the Main Market of Bursa Malaysia Securities Berhad (the "Listing")

We have completed our assurance engagement to report on the compilation of pro forma statement of financial position of Paradigm Real Estate Investment Trust (the "REIT") prepared by the Directors of the Manager and of the Sponsor (collectively known as the "Directors") as at 13 March 2025 (date of establishment) and the related notes as set out in Appendix 1, which we have stamped for identification. The applicable criteria on the basis of which the Directors have compiled the pro forma statement of financial position are specified in the Prospectus Guidelines for Collective Investment Schemes (the "Prospectus Guidelines") issued by the Securities Commission Malaysia (the "SC") and described in Note 1 of the pro forma statement of financial position.

The pro forma statement of financial position has been compiled by the Directors to illustrate the impact of the events or transactions set out in Note 1 of the pro forma statement of financial position (the "Transactions") on the REIT's financial position as at 13 March 2025 as if the Transactions had taken place on 13 March 2025. As part of this process, information about the financial position has been extracted by the Directors from the relevant financial statements for the financial period ended 13 March 2025, on which no audit or review has been published.

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REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

**The Directors' Responsibility for the Pro Forma Statement of Financial Position**

The Directors are responsible for compiling the pro forma statement of financial position on the basis of the applicable criteria.

Our Independence and Quality Management

We have complied with the independence and other ethical requirement of the By-Laws (on Professional Ethics, Conduct and Practice) issued by the Malaysian Institute of Accountants and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm also applies Malaysia Approved Standard on Quality Management and International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibilities

Our responsibility is to express an opinion, as required by the SC, about whether the pro forma statement of financial position has been compiled, in all material respects, by the Directors on the basis of the applicable criteria.

We conducted our engagement in accordance with the Malaysian Approved Standard on Assurance Engagements and International Standard on Assurance Engagements, ISAE 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the Malaysian Institute of Accountants and International Auditing and Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma statement of financial position on the basis of the applicable criteria.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma statement of financial position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma statement of financial position.

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REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

**Our Responsibilities (Contd.)**

The purpose of pro forma statement of financial position included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma statement of financial position has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of pro forma statement of financial position provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma statement of financial position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the REIT, the event or transaction in respect of which the pro forma statement of financial position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma statement of financial position.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the pro forma statement of financial position has been compiled, in all material respects, on the basis of the applicable criteria as set out in Note 1 of Appendix 1.

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REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



Shape the future
with confidence

Other Matters

This letter is issued for the sole purpose of complying with the Prospectus Guidelines issued by the SC in connection with the Listing. Our work had been carried out in accordance with Malaysian Approved Standard on Assurance Engagements and International Standard on Assurance Engagements and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in other jurisdictions. Therefore, this letter is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the Listing described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this letter in connection with any type of transaction, including the sale of securities other than the Listing.

Yours faithfully

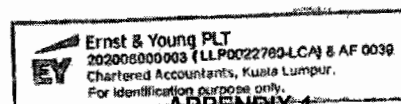
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Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

A handwritten signature in black ink, appearing to be 'Tseu Tet Khong'.

Tseu Tet Khong @ Tsau Tet Khong
03374/06/2026 J
Chartered Accountant

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



APPENDIX 1

**PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT
13 MARCH 2025**

	As at 13 March 2025 ⁽¹⁾	Pro forma Adjustments	Pro forma	Note
	RM'000	RM'000	RM'000	
Non-current asset				
Investment properties	-	2,437,000	2,437,000	3.1
Current asset				
Cash and bank balances	-	38,643	38,643	3.5
Current liability				
Tenants' deposits payable	-	17,115	17,115	3.4
Net current assets	-		21,528	
	-		2,458,528	
Equity				
Unitholders' funds	-	1,592,615	1,592,615	3.2
Non-current liabilities				
Tenants' deposits payable	-	21,903	21,903	3.4
Accrued rental	-	2,290	2,290	3.4
Borrowings	-	841,720	841,720	3.3
	-		865,913	
	-		2,458,528	
Net asset value ("NAV") ⁽²⁾	-		1,592,615	
(RM'000)				
Number of units in the REIT	-		1,600,000	
("REIT Units") in issue ('000)				
NAV per REIT Unit ⁽³⁾ (RM)	-		1.00	

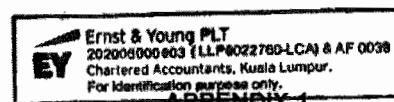
⁽¹⁾ The REIT was established on 13 March 2025.

⁽²⁾ NAV represents the value of the REIT's total assets less total liabilities.

⁽³⁾ NAV per REIT Unit is computed based on NAV divided by REIT Units in issue.

This pro forma statement of financial position should be read in conjunction with the following notes.

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT") PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 13 MARCH 2025 (CONTD.)

1. Introduction and basis of preparation

1.1 Introduction

WCT Holdings Berhad ("WCTH") as the sponsor is undertaking the listing of the REIT on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") (the "Listing"). The REIT was established on 13 March 2025 (which is the date of this pro forma statement of financial position) pursuant to the registration of the deed of trust (the "Deed of Trust") with the Securities Commission Malaysia (the "SC").

The REIT is constituted by the Deed of Trust under the laws of Malaysia, executed by the management company and the trustee.

The management company of the REIT is Paradigm REIT Management Sdn. Bhd. (the "Manager") and the trustee of the REIT is RHB Trustees Berhad (the "Trustee").

i. Acquisitions of investment properties

The Transactions (as defined below) involves the acquisitions of 3 retail malls from WCT Hartanah Jaya Sdn. Bhd. ("WCTHJ"), Gemilang Waras Sdn. Bhd. ("GWSB") and Jelas Puri Sdn. Bhd. ("JPSB") (collectively, the "Vendors") respectively by the Trustee (on behalf of the REIT) (the "Acquisitions"). Further details of the retail malls and the Acquisitions are disclosed in Note 3.1 below.

WCTHJ and GWSB are wholly-owned subsidiaries of WCTH, while JPSB is a jointly-controlled entity of WCTH.

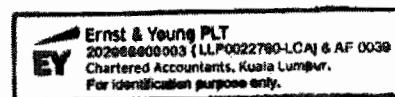
The Acquisitions would include the transfer of tenants' deposits payable of the respective retail malls from the Vendors to the REIT.

ii. Debt financing

The Acquisitions will be partly financed by medium term notes (the "MTNs") programme with a limit of RM5,000.00 million (the "MTN Programme"), comprising fixed and/or floating instruments (the "Debt Financing").

The Listing, the Acquisitions and the Debt Financing are collectively referred to as the "Transactions".

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



APPENDIX 1

PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT") PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 13 MARCH 2025 (CONTD.)

1. Introduction and basis of preparation (contd.)

1.2 Basis of preparation

The pro forma statement of financial position of the REIT has been jointly prepared by the Board of Directors of the Manager and the Board of Directors of WCTH (collectively, the "BODs") for illustrative purposes only for the inclusion in the prospectus in connection with the Listing and should not be relied upon for any other purpose.

The financial year end of the REIT will be 31 December.

The applicable criteria supporting the pro forma statement of financial position are as described below. The pro forma statement of financial position of the REIT is prepared in accordance with the requirements in Chapter 12 of Part III of the Prospectus Guidelines for Collective Investment Schemes issued by the SC and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

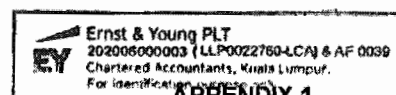
The pro forma statement of financial position of the REIT has been properly compiled using the unaudited financial statements of the REIT as at the date of establishment.

The pro forma statement of financial position of the REIT has been prepared, for illustrative purpose, as if the Transactions have been implemented and completed on 13 March 2025. The pro forma statement of financial position of the REIT has been prepared in a manner consistent with both the format of the financial statements and the accounting policies as stated in Note 2 below. The accounting policies are in compliance with MFRS Accounting Standards and IFRS Accounting Standards.

The pro forma statement of financial position, because of its nature, may not be reflective of the REIT's actual financial position. Furthermore, such financial information does not purport to predict the future financial position of the REIT.

The pro forma statement of financial position is expressed in Ringgit Malaysia ("RM"), and rounded to the nearest thousand ("RM'000"), unless otherwise stated.

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT") PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 13 MARCH 2025 (CONTD.)

2. Summary of material accounting policy information

2.1 Payment of distributable income

The REIT recognises a liability to pay distributable income to unitholders when the distribution is authorised and the distribution is no longer at the discretion of the Manager.

2.2 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to the initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect, if any. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

2.3 Financial assets and financial liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

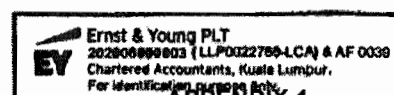
i. Financial assets at amortised cost (debt instruments)

The REIT's financial assets are solely debt instruments, which are classified as financial assets at amortised cost (debt instrument).

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 profit or loss when the asset is derecognised, modified or impaired.

Financial assets at amortised cost includes cash and bank balances, trade receivables and other receivables (excluding prepayments).

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT") PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 13 MARCH 2025 (CONTD.)

2. Summary of material accounting policy information (contd.)

2.3 Financial assets and financial liabilities (contd.)

i. Financial assets at amortised cost (debt instruments) (contd.)

Impairment of financial assets

Allowance for expected credit losses ("ECLs") is recognised for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that are expected to be received, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, a simplified approach is applied in calculating ECLs. Individual assessment is performed on each individual receivables and a loss allowance is recognised based on the individual receivables' exposures to credit losses, adjusted for forward-looking factors specific for the debtor and the economic condition.

A financial asset is considered in default when contractual payments are 90 days past due. However, in certain cases, a financial asset may be considered to be in default when internal or external information indicates that it is unlikely for the outstanding contractual amounts to be received in full before taking into account any credit enhancements held. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii. Financial liabilities

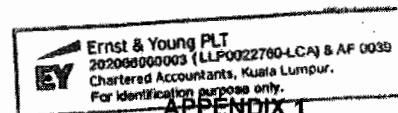
Financial liabilities are classified, at initial recognition, as loans and borrowings and payables.

All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs.

Financial liabilities include trade and other payables, and loans and borrowings including bank overdrafts.

Trade payables, other payables, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT") PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 13 MARCH 2025 (CONTD.)

2. Summary of material accounting policy information (contd.)

2.3 Financial assets and financial liabilities (contd.)

ii. Financial liabilities (contd.)

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. The EIR amortisation is included as finance costs in the statement of profit or loss.

2.4 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks and deposits with licensed banks with a maturity of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts, if any, that form an integral part of the REIT's cash management.

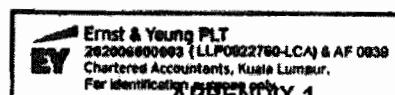
2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest that an entity incurs in connection with the borrowing of funds.

2.6 Leases – as a lessor

Leases in which the entity does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging 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.

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT") PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 13 MARCH 2025 (CONTD.)

2. Summary of material accounting policy information (contd.)

2.7 Revenue

i. Rental income

Recognition of rental income is described in Note 2.6.

ii. Car park income

Revenue from car park operations is recognised as and when services are rendered.

iii. Interest income

Interest income is recognised on an accrual basis using the EIR method.

2.8 Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of the REIT after deducting all of its liabilities.

Equity instruments are recorded at the proceeds received, net of directly attributable incremental transaction costs. Income distributions are deducted from equity in the period in which they are authorised.

2.9 Fair value measurement

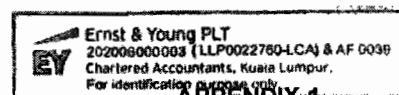
The REIT measures investment properties at fair value at each reporting date.

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 REIT uses valuation techniques that are appropriate 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.

All investment properties for which fair value is measured or disclosed in the financial statements are categorised as Level 3 within the fair value hierarchy, where valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT") PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 13 MARCH 2025 (CONTD.)

2. Summary of material accounting policy information (contd.)

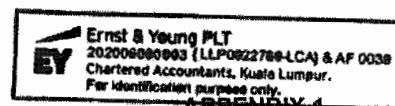
2.9 Fair value measurement (contd.)

As investment properties are recognised in the financial statements on a recurring basis, the REIT determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of investment properties. Involvement of external valuers is decided upon annually by the senior management of the Manager. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Senior management of the Manager decides, after discussions with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the senior management of the Manager analyses the movements in the values of investment properties which are required to be re-measured or re-assessed as per the REIT's accounting policies. For this analysis, senior management of the Manager verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Senior management of the Manager, in conjunction with the external valuers, also compares each of the changes in the fair value of each investment property with relevant external sources to determine whether the change is reasonable.

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

**PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT
13 MARCH 2025 (CONTD.)**
3. Effects on the pro forma statement of financial position

The Transactions will have the following effects on the pro forma statement of financial position as at 13 March 2025.

3.1 Investment properties

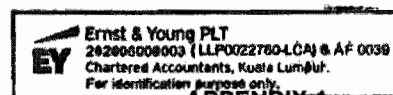
The Transactions involve the acquisition of 3 retail malls, namely Bukit Tinggi Shopping Centre ("BTSC"), Paradigm Mall Johor Bahru ("PMJB") and Paradigm Mall Petaling Jaya ("PMPJ") (collectively, the "Retail Malls"). The sales and purchase agreements between the Trustee (acting on behalf of the REIT) and the respective Vendors have been executed on 13 March 2025. The completion of the Acquisitions is conditional upon the fulfillment of the relevant conditions precedent which include, among others, include the following:

- (a) the prospectus of the Listing having been issued; and
- (b) the issuance of the written confirmation by the Manager to the solicitors involved in the Listing, confirming that the Manager and the Vendors have satisfied relevant conditions, variations or revisions imposed by the SC and Bursa Securities in respect of the Acquisitions which are capable of being satisfied up to the date of such written confirmation, and the Trustee's (acting on behalf of the REIT) and the Manager's satisfaction with the results of the bookbuilding exercise.

The details of the Retail Malls (classified as investment properties) are as follows:

Retail Malls	Location	Vendor	Purchase consideration (RM'000)		
			Cash	REIT Units	Total
BTSC	Klang	GWSB	330,000	350,000	680,000
PMJB	Johor Bahru	WCTHJ	137,000	1,020,000	1,157,000
PMPJ	Petaling Jaya	JPSB	370,000	230,000	600,000
			837,000	1,600,000	2,437,000

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



APPENDIX 1

PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT") PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 13 MARCH 2025 (CONTD.)

3. Effects on the pro forma statement of financial position

3.1 Investment properties (contd.)

The purchase consideration for each Retail Mall represents the fair value of the respective mall. The Acquisitions will be satisfied through cash consideration amounting to RM837.00 million and the issuance of 1,600.00 million REIT Units at a total fair value estimated to be RM1,600.00 million (based on an assumed issue price of RM1.00 per REIT Unit).

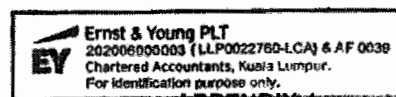
GWSB will nominate WCTH to receive all the 350.00 million REIT Units (equivalent to RM350.00 million) to be issued to GWSB arising from the disposal of BTSC to the REIT. On the other hand, WCTHJ will nominate WCTH to receive 460.00 million REIT Units (equivalent to RM460.00 million) to be issued to WCTHJ arising from the disposal of PMJB to the REIT. The remaining 560.00 million REIT Units (equivalent to RM560.00 million) to be issued to WCTHJ arising from the disposal of PMJB to the REIT will be made available for sale by WCTHJ. Further details of such sale are disclosed in Note 3.2 below.

Separately, 230.00 million REIT Units (equivalent to RM230.00 million) will be issued to JPSB arising from the disposal of PMPJ to the REIT to satisfy the non-cash consideration for PMPJ.

The fair values were derived using the income approach in accordance with International Valuation Standards, and the valuation was performed by Knight Frank Malaysia Sdn. Bhd., a professional independent valuer and a member of the Board of Valuers, Appraisers, Estate Agents and Property, Malaysia.

Using the income approach, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



APPENDIX 1

PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT") PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 13 MARCH 2025 (CONTD.)

3. Effects on the pro forma statement of financial position (contd.)

3.1 Investment properties (contd.)

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Significant increases/(decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher/(lower) fair value of the properties. Significant increases/(decreases) in the long term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower/(higher) fair value.

Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate (and terminal yield), and an opposite change in the long term vacancy rate.

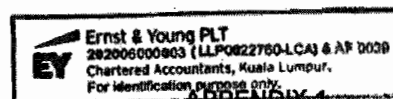
The estimated transaction costs for the Acquisitions are to be borne by the respective Vendors.

For the purposes of preparing the pro forma statement of financial position of the REIT, the fair values of the Retail Malls are the fair values as at 31 December 2024 based on latest available valuation reports from the independent valuer, while the tenants' deposits payable that were transferred to the REIT (as detailed in Note 3.4) are estimated based on net carrying value of the tenants' deposits payable recorded in the Vendors' financial records as at 13 March 2025. This may differ from the fair values of the Retail Malls and the tenants' deposits payable at the actual completion date of the Acquisitions.

3.2 Unitholders' funds

	RM'000
Issuance of REIT Units	1,600,000
Less: Estimated expenses directly attributable to the Listing	(7,385)
	<u>1,592,615</u>

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT") PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 13 MARCH 2025 (CONTD.)

3. Effects on the pro forma statement of financial position (contd.)

3.2 Unitholders' funds (contd.)

As part of the Transactions, the 1,600.00 million REIT Units will be allotted in the following manner:

	REIT Units ('000)/RM'000	%
WCTH	810,000	50.6
WCTHJ ⁽¹⁾	560,000	35.0
JPSB	230,000	14.4
	<u>1,600,000</u>	<u>100.0</u>

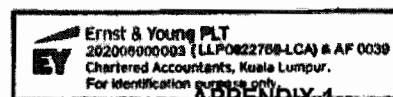
- ⁽¹⁾ The 560.00 million REIT Units (equivalent to RM560.00 million) to be issued to WCTHJ arising from the disposal of PMJB to the REIT will be made available for sale to the entitled shareholders of WCTH, the eligible directors and employees of WCTH group and the Manager, the Malaysian public, Bumiputera investors approved by the Ministry of Investment, Trade and Industry of Malaysia ("MITI"), other institutional investors and selected investors, as follows:

	REIT Units ('000)/RM'000	%
Institutional offering:		
Bumiputera investors approved by the MITI	200,000	35.7
Other institutional and selected investors	105,343	18.8
Retail offering:		
Entitled shareholders of WCTH	194,862	34.8
Malaysian public	32,000	5.7
Directors and employees of WCTH group and the Manager	27,795	5.0
	<u>560,000</u>	<u>100.0</u>

3.3 Drawdown of borrowings

	RM'000
Non-current	
Drawdown of the MTNs	844,000
Less: Estimated transaction costs directly attributable to MTNs drawdown	<u>(2,280)</u>
	<u>841,720</u>

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



APPENDIX 1

PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT") PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 13 MARCH 2025 (CONTD.)

3. Effects on the pro forma statement of financial position (contd.)

3.3 Drawdown of borrowings (contd.)

The BODs expect to draw down RM844.00 million MTNs and have assumed that all MTNs are repayable in 3 to 7 years from the drawdown date. Accordingly, the entire MTNs drawn down are classified as non-current borrowings. The remaining unutilised MTNs amounting to RM4,156.00 million will be available for use by the REIT, among other purposes, for the refinancing of existing and/or future borrowings and facilities of the REIT (or any special purpose vehicle wholly-owned by the REIT, vide the REIT Trustee), for its investment activities (including capital expenditure, asset enhancement, and the related acquisitions, financing expenses, and working capital requirement of the REIT).

Of the RM844.00 million MTNs drawn down, the BODs intend to set aside RM7.00 million to defray MTNs drawdown transaction costs and a portion of the Listing's related expenses. The remaining expenses related to the Listing will be defrayed using internally generated funds received from the Retail Malls.

The assumed weighted average indicative rates assumed of the MTNs is approximately 4.44% per annum.

The following elements of the MTNs and the resulting interest expense are conditional upon the finalisation and execution of the MTN Programme and therefore may be subject to change:

- (a) the availability of the assumed MTN Programme limit of RM5,000.00 million;
- (b) the availability of MTNs assumed to be drawn down of RM844.00 million; and
- (c) the assumed weighted average indicative rates of 4.44% per annum.

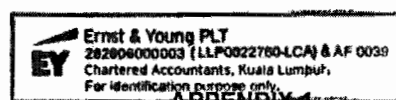
3.4 Tenants' deposits payable

As part of the Acquisitions, the REIT will assume the tenants' deposits payable of the Vendors. The Vendors will transfer all tenants' deposits payable at a gross amount of RM41.31 million (the "Nominal Tenants' Deposits Payable").

As the tenants' deposits payable are initially recorded by the REIT at fair value, which amounts to a discounted amount of RM39.02 million (the "Discounted Tenants' Deposits Payable"), the excess of the Nominal Tenants' Deposits Payable over the Discounted Tenants' Deposits Payable of RM2.29 million is accounted for by the REIT as accrued rental.

As consideration for the transfer of all tenants' deposits payable to the REIT, the Vendors will reimburse the REIT for an amount equivalent to the Nominal Tenants' Deposits Payable.

REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



**PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT
13 MARCH 2025 (CONTD.)**

3. Effects on the pro forma statement of financial position (contd.)

3.4 Tenants' deposits payable (contd.)

The transfer of tenants' deposits payable by the Vendors to the REIT and the accounting for accrued rental are as follows:

Retail Malls	Current liabilities (RM'000)	Non-current liabilities (RM'000)	Total (RM'000)
Transfer of gross tenants' deposits payable by the Vendors:			
BTSC	228	161	389
PMJB	7,192	17,276	24,468
PMPJ	9,982	6,469	16,451
Nominal Tenants' Deposits Payable	17,402	23,906	41,308
Less: Accrued rental, recorded by the REIT	(287)	(2,003)	(2,290)
Discounted Tenants' Deposits Payable, recorded by the REIT	17,115	21,903	39,018

Tenants' deposits payable are classified as current when it is due to be settled within 12 months after the reporting period.

3.5 Cash and bank balances

The movement in cash and bank balances is summarised below:

	RM'000	Note
Drawdown of MTNs	844,000	3.3
Settlement of:		
Cash purchase consideration to be paid to the Vendors for the Acquisitions	(837,000)	3.1
The Listing's related expenses	(7,385)	3.2
MTNs drawdown expenses	(2,280)	3.3
Reimbursements from Vendors as consideration for Nominal Tenants' Deposits Payable assumed by the REIT	41,308	3.4
	<u>38,643</u>	

4. Subsequent events

There are no significant subsequent events noted as at the date of this pro forma statement of financial position of the REIT.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST



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Our ref: Assurance.DTC/DTT/ED

The Board of Directors
 Paradigm REIT Management Sdn. Bhd. (the "Manager")
 B-29-03, The Ascent, Paradigm
 No. 1, Jalan SS7/26A, Kelana Jaya
 47301 Petaling Jaya, Selangor, Malaysia

The Board of Directors
 WCT Holdings Berhad (the "Sponsor")
 B-30-01, The Ascent, Paradigm
 No. 1, Jalan SS7/26A, Kelana Jaya
 47301 Petaling Jaya, Selangor, Malaysia

Dear Sirs,

Report on the profit forecast for the financial period from 13 March 2025 (date of establishment) to 31 December 2025 for inclusion in the prospectus in connection with the listing of units of Paradigm Real Estate Investment Trust (the "Listing")

We have been engaged to examine the profit forecast for the financial period from 13 March 2025 (date of establishment) to 31 December 2025 (the "Prospective Financial Information") of Paradigm Real Estate Investment Trust (the "REIT"), in connection with the Listing and the assumptions thereon as set out in Appendix 1, which we have stamped for identification.

Responsibilities of the directors on the Prospective Financial Information

The Prospective Financial Information has been jointly prepared by the directors of the Manager and the directors of the Sponsor (collectively, the "Directors"), for the Listing. The Directors are solely responsible for the preparation and presentation of the Prospective Financial Information and the assumptions on a basis consistent with the format of financial statements and accounting policies adopted by the REIT and the requirements of the Prospectus Guidelines for Collective Investment Schemes issued by the Securities Commission Malaysia (the "Prospectus Guidelines").

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REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)

**Our independence and quality management**

We have complied with the independence and other ethical requirement of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (the "By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Malaysian Approved Standard on Quality Management 1, ISQM 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our examination has been undertaken to enable us to form an opinion as to whether the Prospective Financial Information, for which the Directors are solely responsible, in all material respects, are properly prepared on the basis of the assumptions made by the Directors as set out on Appendix 1, and are presented on a basis consistent with the format of financial statements and accounting policies to be adopted by the REIT and the requirements of the Prospectus Guidelines.

A forecast, in this context, means prospective financial information prepared on the basis of assumptions as to future events which management of the Manager and management of the Sponsor (collectively, the "Management") and the Directors expect to take place and the actions which the Management and the Directors expect to take as of the date the information is prepared (best-estimate assumptions). While information may be available to support the assumptions on which the forecast is based, such information is generally future oriented and therefore uncertain. Thus, actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variations could be material.

Consequently, we do not express any opinion as to the possibility of achievement of the Prospective Financial Information.

We have examined the Prospective Financial Information in accordance with the *Malaysian Approved Standards on Assurance Engagement, ISAE 3400: The Examination of Prospective Financial Information* issued by Malaysian Institute of Accountants.

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REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



Shape the future
with confidence

Opinion

Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Prospective Financial Information. The Prospective Financial Information has been prepared on the basis of the best-estimate assumptions made by the Directors. Further, the Prospective Financial Information is presented in a manner consistent with both the format of the financial statements and the accounting policies to be adopted by the REIT.

Actual results are likely to be different from the Prospective Financial Information since anticipated events frequently do not occur as expected and the variation may be material. Further, we emphasise that the Prospective Financial Information is not intended to, and does not, provide all the information and disclosures necessary to give a fair presentation in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

Attention is drawn, in particular, to the risk factors set out in Section 5 of the prospectus which describe the principal risks associated with the Listing, to which the Prospective Financial Information is related.

For the reasons set out above, we do not express any assurance as to the possibility of achievement of the Prospective Financial Information.

Restriction on distribution and use

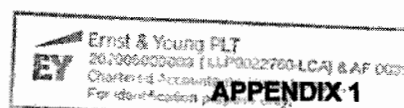
This report is made solely for the Manager and the Sponsor in connection with the Listing and should not be used or relied upon for any other purpose. We do not assume responsibility to any other person for the content of this report.

Yours faithfully,

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
13 May 2025

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FINANCIAL PERIOD
FROM 13 MARCH 2025 TO 31 DECEMBER 2025 ("FP2025")

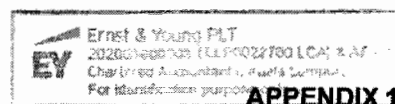
	Profit forecast for the FP2025	Note
	RM'000	
Revenue	187,464	3.1
Property operating expenses	(57,863)	3.2
Other income	344	3.3
Net property income	129,945	
Interest income	809	3.3
Change in fair value of investment properties	-	3.4
Net investment income	130,754	
Non-property expenses	(11,147)	3.5
Finance costs	(30,295)	3.6
Profit before taxation	89,312	
Taxation	-	3.7
Net profit for the financial period, representing total comprehensive income for the financial period attributable to unitholders	89,312	
Non-cash items	3,130	3.8
Distributable income	92,442	3.9
Number of units of the REIT ("REIT Units") in issue ('000) ⁽¹⁾	1,602,470	
Assumed distribution rate	100%	
Distribution cover (times)	1.00	
Distribution per REIT Unit (sen)	5.77	
Illustrative retail price (RM/unit)	1.00	
Distribution yield on retail price ⁽²⁾	5.77%	

⁽¹⁾ Total number of REIT Units in issue includes the assumed REIT Units issued to Paradigm REIT Management Sdn. Bhd. (as stated in Note 3.8(i)) at an assumed issue price of RM1.00 per REIT Unit.

⁽²⁾ Distribution yield is calculated based on the assumption that the listing date is on 13 March 2025 (for the purpose of illustration only) and issue price per REIT Unit is RM1.00. The distribution yield will vary accordingly based on the actual listing date and issue price per REIT Unit.

This profit forecast should be read in conjunction with the accompanying explanatory notes.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

1. Introduction and basis of preparation

1.1 Introduction

WCT Holdings Berhad ("WCTH") as the sponsor is undertaking the listing of the REIT on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") (the "Listing"). The REIT was established on 13 March 2025 pursuant to the registration of the deed of trust (the "Deed of Trust") with the Securities Commission Malaysia (the "SC").

The REIT is constituted by the Deed of Trust under the laws of Malaysia, executed by the management company and the trustee.

The management company of the REIT is Paradigm REIT Management Sdn. Bhd. (the "Manager") and the trustee of the REIT is RHB Trustees Berhad (the "Trustee").

i. Acquisitions of investment properties

The Transactions (as defined below) involve the acquisitions of 3 retail malls, namely Bukit Tinggi Shopping Centre ("BTSC"), Paradigm Mall Johor Bahru ("PMJB") and Paradigm Mall Petaling Jaya ("PMPJ") (collectively, the "Retail Malls") from Gemilang Waras Sdn. Bhd. ("GWSB"), WCT Hartanah Jaya Sdn. Bhd. ("WCTHJ") and Jelas Puri Sdn. Bhd. ("JPSB") (collectively, the "Vendors") respectively by the Trustee (on behalf of the REIT) (the "Acquisitions"). The sales and purchase agreements between the Trustee (acting on behalf of the REIT) and the respective Vendors have been executed on 13 March 2025. The completion of the Acquisitions is conditional upon the fulfillment of the relevant conditions precedent which include, among others, include the following:

- (a) the prospectus of the Listing having been issued; and
- (b) the issuance of the written confirmation by the Manager to the solicitors involved in the Listing, confirming that the Manager and the Vendors have satisfied relevant conditions, variations or revisions imposed by the SC and Bursa Securities in respect of the Acquisitions which are capable of being satisfied up to the date of such written confirmation, and the Trustee's (acting on behalf of the REIT) and the Manager's satisfaction with the results of the bookbuilding exercise.

WCTHJ and GWSB are wholly-owned subsidiaries of WCTH, while JPSB is a jointly-controlled entity of WCTH.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

1. Introduction and basis of preparation (contd.)

1.1 Introduction (contd.)

i. Acquisitions of investment properties (contd.)

The details of the Retail Malls (classified as investment properties) are as follows:

Retail Malls	Location	Vendor	Purchase consideration (RM'000)		
			Cash	REIT Units	Total
BTSC	Klang	GWSB	330,000	350,000	680,000
PMJB	Johor Bahru	WCTHJ	137,000	1,020,000	1,157,000
PMPJ	Petaling Jaya	JPSB	370,000	230,000	600,000
			<u>837,000</u>	<u>1,600,000</u>	<u>2,437,000</u>

The purchase consideration for each retail mall represents the fair value of the respective mall. The fair values were derived using the income approach in accordance with International Valuation Standards, and the valuations were performed by Knight Frank Malaysia Sdn. Bhd., a professional independent valuer and a member of the Board of Valuers, Appraisers, Estate Agents and Property, Malaysia.

The Acquisitions will be satisfied through cash consideration amounting to RM837.00 million and non-cash consideration through the issuance of 1,600.00 million REIT Units at a total fair value estimated to be RM1,600.00 million (based on an assumed issue price of RM1.00 per REIT Unit).

GWSB will nominate WCTH to receive all the 350.00 million REIT Units (equivalent to RM350.00 million) to be issued to GWSB arising from the disposal of BTSC to the REIT. On the other hand, WCTHJ will nominate WCTH to receive 460.00 million REIT Units (equivalent to RM460.00 million) to be issued to WCTHJ arising from the disposal of PMJB to the REIT. The remaining 560.00 million REIT Units (equivalent to RM560.00 million) to be issued to WCTHJ arising from the disposal of PMJB to the REIT will be made available for sale by WCTHJ. Further details of such sale are disclosed below.

Separately, 230.00 million REIT Units (equivalent to RM230.00 million) will be issued to JPSB arising from the disposal of PMPJ to the REIT to satisfy the non-cash consideration for PMPJ.



1.1 Introduction (contd.)

The settlement of non-cash consideration of the Acquisitions through the issuance of REIT Units is summarised below:

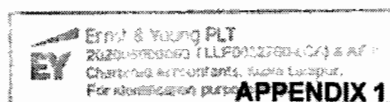
	REIT Units ('000)/RM'000	%
WCTH	810,000	50.6
WCTHJ ⁽¹⁾	560,000	35.0
JPSB	230,000	14.4
	<u>1,600,000</u>	<u>100.0</u>

(1) The 560.00 million REIT Units (equivalent to RM560.00 million) to be issued to WCTHJ arising from the disposal of PMJB to the REIT will be made available for sale to the entitled shareholders of WCTH, the eligible directors and employees of WCTH group and the Manager, the Malaysian public, Bumiputera investors approved by the Ministry of Investment, Trade and Industry of Malaysia ("MITI"), other institutional investors and selected investors, as follows:

	REIT Units ('000)/RM'000	%
Institutional offering:		
Bumiputera investors approved by the MITI	200,000	35.7
Other institutional and selected investors	105,343	18.8
Retail offering:		
Entitled shareholders of WCTH	194,862	34.8
Malaysian public	32,000	5.7
Directors and employees of WCTH group and the Manager	27,795	5.0
	<u>560,000</u>	<u>100.0</u>

As part of the Acquisitions, the REIT will assume the tenants' deposits payable of the Vendors (the "Transfer of Deposits") totalling a gross amount of RM41.31 million (the "Nominal Tenants' Deposits Payable"). Correspondingly, the Vendors will reimburse the REIT an equivalent amount of RM41.31 million.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

1. Introduction and basis of preparation (contd.)**1.1 Introduction (contd.)****ii. Transfer of tenants' deposits payable (contd.)**

As the tenants' deposits payable are initially recorded by the REIT at fair value, which amounts to a discounted amount of RM39.02 million (the "Discounted Tenants' Deposits Payable"), the excess of the Nominal Tenants' Deposits Payable over the Discounted Tenants' Deposits Payable of RM2.29 million is accounted for by the REIT as accrued rental.

The transfer of tenants' deposits payable by the Vendors to the REIT and the accounting for accrued rental are as follows:

	Current liabilities (RM'000)	Non- current liabilities (RM'000)	Total (RM'000)
Transfer of gross tenants' deposits payable by the Vendors:			
BTSC	228	161	389
PMJB	7,192	17,276	24,468
PMPJ	9,982	6,469	16,451
Nominal Tenants' Deposits Payable	17,402	23,906	41,308
Accrued rental, recorded by the REIT	(287)	(2,003)	(2,290)
Discounted Tenants' Deposits Payable, recorded by the REIT	17,115	21,903	39,018

iii. Debt financing

The Acquisitions will be partly financed by medium term notes (the "MTNs") programme with a limit of RM5,000.00 million (the "MTN Programme"), comprising fixed and/or floating instruments (the "Debt Financing").

The Board of Directors of the Manager and the Board of Directors of WCTH (collectively, the "BODs") expect to draw down RM844.00 million MTNs and have assumed that all MTNs are repayable in 3 to 7 years from the drawdown date. Accordingly, the entire MTNs drawn down are classified as non-current borrowings. The remaining unutilised MTNs amounting to RM4,156.00 million will be available for use by the REIT, among other purposes, for the refinancing of existing and/or future borrowings and facilities of the REIT (or any special purpose vehicle wholly-owned by the REIT, vide the REIT Trustee), for its investment activities (including capital expenditure, asset enhancement, and the related acquisitions, financing expenses, and working capital requirement of the REIT).



1.1 Introduction (contd.)

Of the RM844.00 million MTNs to be drawn down, the BODs intend to set aside RM7.00 million to defray MTNs drawdown transaction costs and a portion of the Listing's related expenses. The remaining expenses related to the Listing will be defrayed using internally generated funds received from the Retail Malls.

The assumed weighted average indicative rates of the MTNs is approximately 4.44% per annum.

The Listing, the Acquisitions, the Transfer of Deposits and the Debt Financing are collectively referred to as the "Transactions".

The profit forecast for the FP2025 which comprises the statement of profit or loss and the accompanying explanatory notes (the "Prospective Financial Information") has been jointly prepared by the BODs, based on the assumptions set out in Note 3 below. The Prospective Financial Information is prepared for the inclusion in the prospectus in connection with the Listing and should not be relied upon for any other purpose.

The financial year end of the REIT will be 31 December.

The Prospective Financial Information of the REIT has been prepared in a manner consistent with both the format of the financial statements and the accounting policies that will be adopted by the REIT as stated in Note 2 below. The accounting policies are in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

The Prospective Financial Information of the REIT is prepared in accordance with the requirements in Chapter 12 of Part III of the Prospectus Guidelines for Collective Investment Schemes issued by the SC and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Prospective Financial Information of the REIT have been prepared, for illustrative purpose, as if the Transactions have been implemented and completed on 13 March 2025.

The Prospective Financial Information, because of its nature, may not be reflective of the REIT's actual financial results.

The Prospective Financial Information is expressed in Ringgit Malaysia ("RM"), and rounded to the nearest thousand (RM'000), unless otherwise stated.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



APPENDIX 1

PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

2. Summary of material accounting policy information

2.1 Payment of distributable income

The REIT recognises a liability to pay distributable income to unitholders when the distribution is authorised and the distribution is no longer at the discretion of the Manager.

2.2 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to the initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect, if any. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

2.3 Financial assets and financial liabilities

A financial instrument is any contract that gives rise to a financial asset of 1 entity and a financial liability or equity instrument of another entity.

i. Financial assets at amortised cost (debt instruments)

The REIT's financial assets are solely debt instruments, which are classified as financial assets at amortised cost (debt instrument).

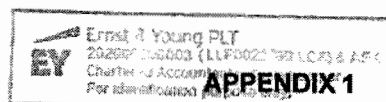
Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at amortised cost includes cash and bank balances, trade receivables and other receivables (excluding prepayments).

Impairment of financial assets

Allowance for expected credit losses ("ECLs") is recognised for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that are expected to be received, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

2. Summary of material accounting policy information (contd.)

2.3 Financial assets and financial liabilities (contd.)

i. Financial assets at amortised cost (debt instruments) (contd.)

Impairment of financial assets (contd.)

For trade receivables, a simplified approach is applied in calculating ECLs. Individual assessment is performed on each individual receivables and a loss allowance is recognised based on the individual receivables' exposures to credit losses, adjusted for forward-looking factors specific for the debtor and the economic condition.

A financial asset is considered in default when contractual payments are 90 days past due. However, in certain cases, a financial asset may be considered to be in default when internal or external information indicates that it is unlikely for the outstanding contractual amounts to be received in full before taking into account any credit enhancements held. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii. Financial liabilities

Financial liabilities are classified, at initial recognition, as loans and borrowings and payables.

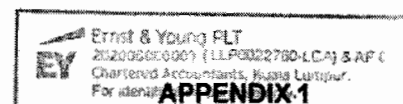
All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs.

Financial liabilities include trade and other payables, and loans and borrowings including bank overdrafts.

Trade payables, other payables, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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. The EIR amortisation is included as finance costs in the statement of profit or loss.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

2. Summary of material accounting policy information (contd.)

2.4 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks and deposits with licensed banks with a maturity of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts, if any, that form an integral part of the REIT's cash management.

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest that an entity incurs in connection with the borrowing of funds.

2.6 Leases – as a lessor

Leases in which the entity does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from an operating lease is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss. Initial direct costs incurred in negotiating and arranging 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.

2.7 Revenue

i. Rental income

Recognition of rental income is described in Note 2.6.

ii. Car park income

Revenue from car park operations is recognised as and when services are rendered.

iii. Interest income

Interest income is recognised on an accrual basis using the EIR method.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

2. Summary of material accounting policy information (contd.)

2.8 Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of the REIT after deducting all of its liabilities.

Equity instruments are recorded at the proceeds received, net of directly attributable incremental transaction costs. Income distributions are deducted from equity in the period in which they are authorised.

2.9 Fair value measurement

The REIT measures investment properties at fair value at each reporting date.

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 REIT uses valuation techniques that are appropriate 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.

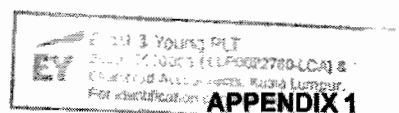
All investment properties for which fair value is measured or disclosed in the financial statements are categorised as Level 3 within the fair value hierarchy, where valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

As investment properties are recognised in the financial statements on a recurring basis, the REIT determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of investment properties. Involvement of external valuers is decided upon annually by the senior management of the Manager. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Senior management of the Manager decides, after discussions with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the senior management of the Manager analyses the movements in the values of investment properties which are required to be re-measured or re-assessed as per the REIT's accounting policies. For this analysis, senior management of the Manager verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

2. Summary of material accounting policy information (contd.)**2.9 Fair value measurement (contd.)**

Senior management of the Manager, in conjunction with the external valuers, also compares each of the changes in the fair value of each investment property with relevant external sources to determine whether the change is reasonable.

3. Bases and assumptions**3.1 Revenue**

Revenue of the REIT comprises the following:

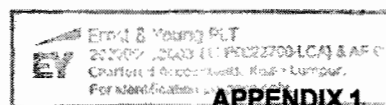
	FP2025 RM'000	Note
Retail rental income:		
Base rent and others	144,849	i
Percentage rent	11,618	ii
Advertising and promotional ("A&P") income	9,783	iii
Car park income	21,214	iv
	<u>187,464</u>	

i. Base rent and others

Base rent and others mainly comprise rental income from leasing of commercial lots, storage rental and external signage (including the effects of amortisation of fit-out contributions and straight-lining adjustments on rent-free period, staggered rent and rental rebates over the lease term in accordance with MFRS 16: Leases ("MFRS 16")) of the respective Retail Malls. For the avoidance of doubt, rental income in respect of unexpired tenancy period of existing tenancy agreements (the "TAs") is based on rental rates stipulated in the respective TAs.

	FP2025 RM'000	Note
BTSC	31,472	(a)
PMJB	73,074	(b)
PMPJ	40,303	(c)
	<u>144,849</u>	

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



APPENDIX 1

PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

3. Bases and assumptions (contd.)

3.1 Revenue (contd.)

i. Base rent and others (contd.)

(a) BTSC

Base rent and others of BTSC are derived from unexpired TA with a third party as at 13 March 2025 with a total gross lettable area of 1,000,950 square feet ("sqft") and straight-lining adjustments on staggered rent over the lease term in accordance with MFRS 16. The TA will expire on 23 November 2029, with an option to renew for a further 3 years.

(b) PMJB

The following is assumed in arriving at the forecasted base rent and others for PMJB for the FP2025.

The lease expiry profile of PMJB in relation to PMJB's net lettable area ("NLA") as at 13 March 2025 and forecasted base rent (excluding straight-lining adjustments on rent-free period and staggered rent over the lease term) for the FP2025 are as follows:

	Percentage of NLA (%)	Percentage of forecasted base rent (%)
Existing TAs expiring:		
On or after 1 January 2026	83.0	76.0
During the FP2025 ⁽¹⁾	12.5	19.7
TAs executed, but pending rent commencement ⁽²⁾	3.3	3.3
TAs not executed, but in negotiations with potential tenants ⁽³⁾	0.2	0.3
Lettable areas with no tenants secured ⁽⁴⁾	0.9	0.7
Vacant lots	0.1	-
	<u>100.0</u>	<u>100.0</u>

⁽¹⁾ For the TAs expiring during the FP2025, it is assumed that NLA which has yet to be renewed is either assumed to be renewed or occupied by new tenants (with tenancy periods ranging between 1 to 3 years).



3.1 Revenue (contd.)

i. Base rent and others (contd.)

(b) PMJB (contd.)

- (2) Forecasted based on rental rates stated in the executed TAs.
- (3) Forecasted based on rental rates proposed by potential tenants and where applicable, forecasted based on rental rates stated in TAs or letter of offers ("LOs") executed subsequent to 13 March 2025.
- (4) Represent retail lots previously tenanted for which new tenants have yet to be secured. Rental rates are forecasted based on the average rental rate per sqft ("psf") of surrounding retail lots. The assumed tenancy commencement date is forecasted based on the leasing team's best estimates vis-a-vis ongoing efforts and/or stage of negotiations with potential tenants.

The expected average occupancy rate ("AOR") for the FP2025 for PMJB is assumed to be 98.9%. The AOR of PMJB during the financial year ended 31 December 2024 (the "FY2024") was 97.9%.

After taking into consideration the effects on straight-lining adjustments of rent-free period and staggered rent over the lease term, the expected average base rent ("ABR") for the FP2025 for PMJB is RM5.89 psf per month ("psf/m"). The actual ABR of PMJB during the FY2024 was RM5.53 psf/m.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

3. Bases and assumptions (contd.)**3.1 Revenue (contd.)****i. Base rent and others (contd.)****(c) PMPJ**

The following is assumed in arriving at the forecasted base rent and others for PMPJ for the FP2025.

The lease expiry profile of PMPJ in relation to PMPJ's NLA as at 13 March 2025 and forecasted base rent (excluding straight-lining adjustments on rent-free period and staggered rent over the lease term) for the FP2025 are as follows:

	Percentage of NLA (%)	Percentage of forecasted base rent (%)
Existing TAs expiring:		
On or after 1 January 2026	70.4	73.1
During the FP2025 ⁽¹⁾	21.7	24.3
TAs executed, but pending rent commencement ⁽²⁾	1.9	1.0
Tenants secured, but pending execution of TAs ⁽³⁾	0.1	0.1
TAs not executed, but in negotiations with potential tenants ⁽³⁾	1.0	0.8
Lettable areas with no tenants secured ⁽⁴⁾	0.6	0.7
Indoor amusement park ⁽⁵⁾	4.2	-
Vacant lots	0.1	-
	<u>100.0</u>	<u>100.0</u>

⁽¹⁾ For the TAs expiring in the FP2025, it is assumed that NLA which has yet to be renewed is either assumed to be renewed or occupied by new tenants (with tenancy periods ranging between 1 to 3 years).

⁽²⁾ Forecasted based on rental rates stated in the executed TAs.

⁽³⁾ Forecasted based on rental rates proposed by potential tenants and where applicable, forecasted based on rental rates stated in TAs or LOs executed subsequent to 13 March 2025.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



APPENDIX 1

PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

3. Bases and assumptions (contd.)**3.1 Revenue (contd.)****i. Base rent and others (contd.)****(c) PMPJ (contd.)**

⁽⁴⁾ Represent retail lots previously tenanted for which new tenants have yet to be secured. Rental rates are forecasted based on the average rental rate psf of surrounding retail lots. The assumed tenancy commencement date is forecasted based on the leasing team's best estimates vis-a-vis ongoing efforts and/or stage of negotiations with potential tenants.

⁽⁵⁾ The indoor amusement park contributes to percentage rent only and therefore does not contribute to the forecasted base rent.

The expected AOR for the FP2025 for PMPJ is assumed to be 98.1%. The AOR of PMPJ during the FY2024 was 97.8%.

After taking into consideration the effects on straight-lining adjustments of rent-free period and staggered rent over the lease term, the expected ABR for the FP2025 for PMPJ is RM6.16 psf/m. The actual ABR of PMPJ during the FY2024 was RM5.58 psf/m.

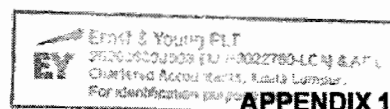
ii. Percentage rent

Percentage rent is generally calculated by reference to a pre-determined percentage of the tenant's gross turnover. For the avoidance of doubt, no percentage rent is receivable from BTSC.

	FP2025 RM'000
PMJB	9,774
PMPJ	1,844
	<u>11,618</u>

Percentage rent for the FP2025 is forecasted based on the actual percentage rent recorded during the corresponding period in the FY2024 after considering trends in individual tenants' sales performance and prospects observed up to February 2025, as well as the changes in proportion of base rent and percentage rent arising from tenancy renewals.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



APPENDIX 1

PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

3. Bases and assumptions (contd.)**3.1 Revenue (contd.)****iii. A&P income**

A&P income is derived from rental of promotional space, push carts, vending machines, and rental of advertisement spaces located at prominent locations around the Retail Malls such as outdoor digital displays, external billboards, standees, pillar wraps, wall advertisements, escalators and boomgates.

	FP2025 RM'000
BTSC	92
PMJB	7,239
PMPJ	2,452
	<u>9,783</u>

A&P income is generated by the Retail Malls entering into long-term A&P agreements with advertisers and ad hoc A&P income from short-term leasing of digital screens, billboards, banners and wall spaces.

A&P income derived from long-term A&P agreements is forecasted based on monthly A&P rates stipulated in the A&P agreements.

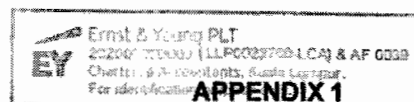
iv. Car park income

Car park income comprises mainly casual parking income (which includes both normal and premium car parks), season parking income and motorcycle parking income.

	FP2025 RM'000
BTSC	6,398
PMJB	7,980
PMPJ	6,836
	<u>21,214</u>

Car park income for the FP2025 is forecasted based on the actual car park income recorded during the corresponding period in the FY2024, taking into account the contribution from premium parking income from PMJB which commenced in August 2024 and motorcycle parking income which commenced in April, May and June 2024 at PMJB, BTSC and PMPJ respectively, as well as overall improved footfall at the Retail Malls observed up to February 2025.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

3. Bases and assumptions (contd.)

3.2 Property operating expenses

Property operating expenses of the REIT comprise the following:

	FP2025 RM'000	Note
Quit rent and assessment	5,269	i
Insurance	905	ii
Repair and maintenance	9,634	iii
Security charges	5,271	iii
Cleaning charges	6,869	iii
Electricity charges	12,816	iv
Water charges	1,264	iv
Marketing and promotion expenses	3,087	v
Property management fee and reimbursable	10,761	vi
Miscellaneous expenses	1,987	vii
	57,863	

i. Quit rent and assessment

	FP2025 RM'000
BTSC	1,250
PMJB	1,489
PMPJ	2,530
	5,269

Quit rent for the FP2025 is forecasted based on actual billings issued by the respective states' land offices in January 2025, whereas assessment for the FP2025 is forecasted based on the actual half-yearly billings issued by the respective municipal councils in January 2025.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



APPENDIX 1

PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

3. Bases and assumptions (contd.)**3.2 Property operating expenses (contd.)****ii. Insurance**

	FP2025 RM'000
BTSC	175
PMJB	407
PMPJ	323
	<u>905</u>

Insurance for the FP2025 is forecasted based on insurance premiums stipulated in the insurance policies entered into during the FY2024 and up to February 2025. These insurance policies cover the period from January 2025 to December 2025 and February 2025 to January 2026, except for certain insurance policies for PMPJ which cover the period from May 2024 to May 2025. In respect of PMPJ, the insurance premiums are forecasted based on insurance premiums stipulated in the existing insurance policies and the quotation received from the insurer for the renewal.

iii. Repair and maintenance, security charges, and cleaning charges

	BTSC RM'000	PMJB RM'000	PMPJ RM'000	Total RM'000
FP2025				
Repair and maintenance	386	4,991	4,257	9,634
Security charges	787	2,955	1,529	5,271
Cleaning charges	467	4,544	1,858	6,869
	<u>1,640</u>	<u>12,490</u>	<u>7,644</u>	<u>21,774</u>

Repair and maintenance, security charges and cleaning charges (collectively, the "Upkeep Expenses") consist of contracted expenses and ad hoc expenses.

Contracted Upkeep Expenses for the FP2025 are forecasted based on monthly charges as stipulated in executed agreements.

Ad hoc Upkeep Expenses for the FP2025 are forecasted based on annual upkeep plan of the respective Retail Malls.



3.2 Property operating expenses (contd.)

	BTSC RM'000	PMJB RM'000	PMPJ RM'000	Total RM'000
FP2025				
Electricity charges	104	8,897	3,815	12,816
Water charges	5	668	591	1,264
	<u>109</u>	<u>9,565</u>	<u>4,406</u>	<u>14,080</u>

Electricity and water charges for the FP2025 are forecasted based on actual electricity and water charges incurred during the corresponding period in the FY2024, taking into account energy saving initiatives such as the installation of inverter air conditioning units, usage optimisation of chillers depending on the shopper load and the successful applications to Tenaga Nasional Berhad for off peak tariff rider at PMJB and PMPJ (collectively, "Electricity Savings and Reduction Measures"). The amount of savings in electricity charges for the FP2025 is forecasted based on the actual savings achieved through the Electricity Savings and Reduction Measures observed up to February 2025, along with the expected additional savings from the installation of solar panels in PMJB from February 2025 onwards.

	FP2025
	RM'000
PMJB	1,781
PMPJ	1,306
	<u>3,087</u>

Marketing and promotion expenses are discretionary expenses and are to be incurred on a need-to basis. These expenses are forecasted based on expenditure budgets approved by the respective Boards of Directors of WCTHJ and JPSB prior to the Acquisitions by the REIT.

Property management fee is payable to the property manager pursuant to the property management agreement entered into between the Manager, the Trustee and the property manager. The property management agreement was executed on 7 April 2025.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

3. Bases and assumptions (contd.)**3.2 Property operating expenses (contd.)****vi. Property management fee and reimbursable (contd.)**

In addition, the property manager is also entitled to full reimbursement of staff costs and other expenses incurred in discharging its responsibilities. It is assumed that the property manager is entitled to property management fee and reimbursable of RM10.76 million for the FP2025.

vii. Miscellaneous expenses

Miscellaneous expenses for the FP2025 consist mainly of allowance for ECLs and license fees.

3.3 Interest and other income

Interest income of RM0.81 million is derived from placement of idle funds in fixed deposits.

Other income of RM0.34 million consists mainly of car park clamping income and forfeiture income.

3.4 Change in fair value of investment properties

For the purposes of the Prospective Financial Information, the BODs have assumed that the fair value of the Retail Malls will remain unchanged from acquisition date for the FP2025. Accordingly, no fair value gain (or loss) has been included in the Prospective Financial Information.

3.5 Non-property expenses

Non-property expenses of the REIT comprise the following:

	FP2025 RM'000	Note
Manager's base fee	5,982	i
Manager's performance fee	3,898	i
Trustee's fee	431	ii
Other trust expenses	836	iii
	11,147	

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

3. Bases and assumptions (contd.)

3.5 Non-property expenses (contd.)

i. Manager's base fee and Manager's performance fee (collectively, the "Management Fees")

The Management Fees are governed by the Deed of Trust. The Manager's base fee is capped at 1.0% per annum of the REIT's total asset value ("TAV"), whereas the Manager's performance fee is capped at 5.0% per annum of the REIT's net property income ("NPI").

To illustrate this expense for the purpose of this Prospective Financial Information, the Manager's base fee is assumed to be equivalent to 0.3% per annum of the REIT's TAV whereas the Manager's performance fee is assumed to be equivalent to 3.0% per annum of the REIT's NPI.

Further details on the Management Fees are set out in Note 3.8(i) below.

ii. Trustee's fee

The Trustee's fee for the FP2025 is forecasted based on the letter of award issued to the Trustee. The letter of engagement was executed on 22 August 2024. The Trustee's fee is assumed to be equivalent to 0.03% per annum of the REIT's net asset value.

iii. Other trust expenses

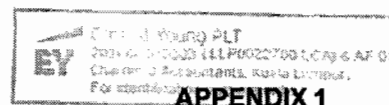
Other trust expenses are expenses expected to be incurred by the REIT which are administrative in nature and are not directly attributable to the management and maintenance of the Retail Malls, such as auditors' remuneration, printing and stationaries, stamping and filing fees.

3.6 Finance costs

Finance costs of the REIT comprise the following:

	FP2025 RM'000	Note
Interest expense on MTNs	30,184	i
Unwinding of discount on tenants' deposits payable	111	ii
	<u>30,295</u>	

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



APPENDIX 1

PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

3. Bases and assumptions (contd.)**3.6 Finance costs (contd.)****i. Interest expense on MTNs**

Interest expense on MTNs is forecasted based on the assumed weighted average indicative rates of 4.44% per annum based on the latest financing proposal available to the BODs, and is computed based on the expected MTNs drawdown amount of RM844.00 million.

The following elements of the MTNs and the resulting interest expense are conditional upon the finalisation and execution of the MTN Programme and therefore may be subject to change:

- (a) the availability of the assumed MTN Programme limit of RM5,000.00 million;
- (b) the availability of MTNs assumed to be drawn down of RM844.00 million; and
- (c) the assumed weighted average indicative rates of 4.44% per annum.

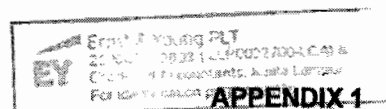
ii. Unwinding of discount on tenants' deposits payable

Represents the unwinding of discount on non-current tenants' deposits payable of the REIT as stated in Note 1.1(ii).

3.7 Taxation

It is assumed that the REIT will distribute 100% of its total income to its unitholders within 2 months from the close of the FP2025 which forms the basis period for the year of assessment of the REIT and accordingly, the REIT will be exempted from income tax.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

3. Bases and assumptions (contd.)

3.8 Non-cash items

Non-cash items comprise the following:

	FP2025 RM'000	Note
Management Fees payable in REIT Units:		
Manager's base fee	1,495	i
Manager's performance fee	975	i
Effects of MFRS 16	(133)	ii
Unwinding of discount on tenants' deposits payable	111	3.6(ii)
Allowance for ECLs	406	3.2(vii)
Miscellaneous non-cash items	276	
	<u>3,130</u>	

- i. The BODs have assumed that a portion of the Management Fees will be payable in REIT Units at an assumed issue price of RM1.00 per REIT Unit.
- ii. Accounting effects on straight-lining of rent-free period, staggered rent, rental rebates and fit-out contributions over the lease term in accordance with the requirements of MFRS 16.

3.9 Distributable income

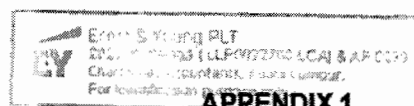
It is assumed that the REIT will distribute 100% of its distributable income for the FP2025.

3.10 General assumptions

In addition to assumptions disclosed elsewhere in the Prospective Financial Information, the following are general assumptions adopted by the BODs:

- i. There will be no significant changes in neither the prevailing economic and political (both domestic and overseas) nor property market conditions which will materially impact the activities and performance of the Retail Malls and/or of the REIT.
- ii. There will be no material changes to the present legislation and government regulations including tax regulations and governmental guidelines/regulations which will adversely affect the Retail Malls and/or the REIT.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECAST (Cont'd)



APPENDIX 1

PARADIGM REAL ESTATE INVESTMENT TRUST (THE "REIT")
PROFIT FORECAST OF THE REIT FOR THE FP2025 (CONTD.)

3. Bases and assumptions (contd.)**3.10 General assumptions (contd.)**

- iii. There will be no major industrial disputes, both domestic and overseas, which will adversely affect the Retail Malls and/or the REIT.
- iv. There will be no material litigations which will adversely affect the Retail Malls and/or the REIT.
- v. Credit risk of the REIT is assumed to be low, as significantly all revenue receivable by the REIT, such as rental income will be received within the credit term. Additionally, the REIT can legally offset any long outstanding rental income receivables against tenants' deposits to minimise its exposure. Accordingly, allowance for ECL is assumed to be negligible.
- vi. There will be no significant changes in the terms and conditions of material agreements including but not limited to, the Deed of Trust, and the property management agreement.

4. Subsequent events

There are no significant subsequent events noted as at the date of this Prospective Financial Information of the REIT.

PROCEDURES FOR APPLICATION AND ACCEPTANCE

1. OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE RETAIL OFFERING: 10.00 a.m., 16 May 2025

CLOSING OF THE RETAIL OFFERING: 5.00 p.m., 23 May 2025

The Manager and the Joint Underwriters may decide in their absolute discretion to vary the closing date and time for applications under the Retail Offering to any later date or dates. If they decide to vary the closing date for applications, the dates for the balloting, the allotment of the Offer Units and the Listing will be extended accordingly. Any variation will be announced by way of advertisement in a widely circulated Bahasa Malaysia and English language newspaper within Malaysia.

Late applications will not be accepted.

2. METHODS OF APPLICATION AND CATEGORY OF INVESTORS

2.1 Application for Offer Units under the Retail Offering

Application for Offer Units pursuant to the Retail Offering may be made using any of the following:

Type of Application Form	Category of Investor
Offer Acceptance Form only	Entitled WCTH Shareholders
White Application Form or Electronic Application ⁽¹⁾ or Internet Application ⁽²⁾	Malaysian Public (for individuals)
White Application Form only	Malaysian Public (for non-individuals, e.g. corporations, institutions, etc)
Pink Application Form only	Eligible Directors and Employees

Notes:

(1) The following surcharge per Electronic Application will be charged by the respective Participating Financial Institutions:

- (i) Affin Bank Berhad – no fee will be charged for application by their account holders;
- (ii) Alliance Bank Malaysia Berhad – RM1.00;
- (iii) AmBank (M) Berhad – RM1.00;
- (iv) CIMB Bank Berhad – RM2.50;
- (v) Malayan Banking Berhad – RM1.00;
- (vi) Public Bank Berhad – RM2.00; and
- (vii) RHB Bank Berhad – RM2.00.

(2) The following processing fee per Internet Application will be charged by the respective Internet Participating Financial Institutions:

- (i) Affin Bank Berhad (<https://rib.affinallways.com>) – no fee will be charged for application by the respective account holders;
- (ii) Alliance Bank Malaysia Berhad (www.allianceonline.com.my) – RM1.00;
- (iii) CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd) (eipo.cgsi.com.my) – RM2.00 for applicants with CDS Accounts held with CIMB Bank Berhad or Malayan Banking Berhad;

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

- (iv) Malacca Securities Sdn Bhd (<https://eipo.mplusonline.com>) – free;
- (v) Malayan Banking Berhad (www.maybank2u.com.my) – RM1.00
- (vi) Moomoo Securities Malaysia Sdn. Bhd. (<https://www.moomoo.com/my>) – free;
- (vii) Public Bank Berhad (www.pbebank.com) – RM2.00; and
- (viii) RHB Bank Berhad (- <https://www.rhbgroup.com/index.html>) – RM2.50.

You must have a CDS Account before you can submit your application by way of Application Forms or Electronic Applications, as well as Internet Applications.

Eligible Directors and Employees, who have made applications using the Pink Application Forms and the Entitled WCTH Shareholders who have made applications using the Offer Acceptance Forms may still apply for the Offer Units offered to the Malaysian Public using the White Application Form, the Electronic Application or the Internet Application.

However, applicants using the White Application Forms, the Pink Application Forms and the Offer Acceptance Forms are not allowed to submit multiple applications in the same category of application. Further, applicants who have submitted their applications using White Application Forms are not allowed to make additional applications using the Electronic Applications and Internet Applications, and vice versa.

2.2 Application for Offer Units under the Institutional Offering

Institutional investors and selected investors being allotted the Offer Units under the Institutional Offering will be contacted directly by the Joint Bookrunners and shall follow the instructions as communicated by the Joint Bookrunners. Bumiputera investors approved by MITI who has been allocated Offer Units will be contacted directly by MITI and should follow the instructions as communicated through MITI.

Institutional investors and selected investors and Bumiputera investors approved by MITI may still apply for the Offer Units offered to the Malaysian Public using the White Application Form, the Electronic Application or the Internet Application.

3. PROCEDURES FOR APPLICATION AND ACCEPTANCE

3.1 Application by the Entitled WCTH Shareholders (Offer Acceptance Forms) pursuant to Restricted Offering

Applications by the Entitled WCTH Shareholders must be made on the Offer Acceptance Forms or by way of e-Subscription at <https://investor.boardroomlimited.com>. The applications must follow the notes and instructions in the said document, where relevant, in the Prospectus. The amount payable in full upon application is RM1.00 per Restricted Offer Unit.

The Entitled WCTH Shareholders are not precluded from making additional applications using the White Application Forms, the Electronic Application or the Internet Application under the Malaysia Public category. Applicants using the Offer Acceptance Forms are not allowed to submit multiple applications in the same category of application.

The notice of provisional offer in relation to the Restricted Offering (“NPO”) and Offer Acceptance Form, together with the Prospectus will be distributed to all Entitled WCTH Shareholders via ordinary post.

WCTH shall, on behalf of the Entitled WCTH Shareholder, pay a stamp duty of RM10.00 on each of the Offer Acceptance Form submitted.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

ENTITLED WCTH SHAREHOLDERS ARE ADVISED TO READ THE PROSPECTUS, NPO, OFFER ACCEPTANCE FORM AND NOTES AND INSTRUCTIONS PRINTED THEREIN CAREFULLY.

No acknowledgement of the receipt of the Offer Acceptance Form, Excess Restricted Offer Units Applications or applications monies will be made by WCTH, the Manager or the Registrar. However, notices of allotment will be issued and forwarded by ordinary post to the acceptance Entitled WCTH Shareholders at their own risk to the address stated in the Records of Depositors provided by Bursa Depository before the Listing.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL APPLICATIONS OR EXCESS APPLICATIONS, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST TO THE APPLICANTS WITHIN 15 MARKET DAYS FROM THE DATE OF THE FINAL BALLOTS OF THE PUBLIC OFFERING VIA WHITE APPLICATION FORMS BY ORDINARY POST TO THE ADDRESS STATED IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANTS' OWN RISK.

3.1.1 Form of issuance

THE RESTRICTED OFFERING IS NON-RENOUNCEABLE AND NON-TRADEABLE.

The number of Restricted Offer Units provisionally offered to the Entitled WCTH Shareholders will not be credited into the Entitled WCTH Shareholders' CDS Accounts and there will not be any trading of the Restricted Offer Units during the offer period. The number of Restricted Offer Units provisionally offered to the Entitled WCTH Shareholders is also non-transferable. Entitled WCTH Shareholders may fully or partially subscribe for their entitlements to the Restricted Offer Units.

Bursa Securities has already prescribed the Units listed on the Main Market to be deposited with Bursa Depository. Accordingly, the Restricted Offer Units are prescribed securities and as such, all dealings in the Restricted Offer Units shall be subject to the SICDA and the Rules of Bursa Depository. Subscriptions which do not conform to the terms of this Prospectus, the Offer Acceptance Form (including the notes and instructions therein) or which contain inaccurate CDS Account number or which are illegible may not be accepted at the absolute discretion of the Manager and WCTH.

Upon acceptance of the Entitled WCTH Shareholder's application, the number of Restricted Offer Units subscribed for or the Excess Restricted Offer Units successfully applied for will be credited into the CDS Account of the successful applicant. By making the subscription, the applicant consents to receiving such Restricted Offer Units as deposited securities credited directly into his/her CDS Account. The notices of allotment will be despatched to the applicant by ordinary post to the address as stated in the records of Bursa Depository at the applicant's own risk, before the Listing.

This Prospectus will not be registered under any applicable securities legislation of any foreign jurisdiction. Accordingly, this Prospectus will not be sent to the Entitled WCTH Shareholders with a registered address in jurisdictions outside of Malaysia ("**Foreign Addressed Shareholders**").

FULL INSTRUCTIONS FOR THE SUBSCRIPTION AND PAYMENT FOR THE RESTRICTED OFFER UNITS OFFERED TO THE ENTITLED WCTH SHAREHOLDERS, EXCESS APPLICATION FOR THE RESTRICTED OFFER UNITS AND THE PROCEDURES TO BE FOLLOWED, ARE SET OUT IN THIS PROSPECTUS AND THE OFFER ACCEPTANCE FORM.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

ENTITLED WCTH SHAREHOLDERS ARE ADVISED TO READ THIS PROSPECTUS, THE OFFER ACCEPTANCE FORM AND NOTES AND INSTRUCTIONS PRINTED THEREIN CAREFULLY.

3.1.2 Procedures for full subscription

Subscription and payment for the Restricted Offer Units offered to an Entitled WCTH Shareholder must be made with the Offer Acceptance Form enclosed with this Prospectus and must be completed in accordance with the notes and instructions contained therein.

Pursuant to the Restricted Offering, the Selling Subsidiary shall offer for sale up to 194,862,500 Restricted Offer Units to the Entitled WCTH Shareholders on the basis of 1 Restricted Offer Unit for every 8 existing ordinary shares of WCTH held by the Entitled WCTH Shareholders, at RM1.00 per Restricted Offer Unit.

An Entitled WCTH Shareholder may elect any of the following methods to subscribe for his/her entitlement to the Restricted Offer Units:

- (i) despatch of completed Offer Acceptance Form together with the relevant payment by **ORDINARY POST, COURIER** or **DELIVERED BY HAND** in an envelope (at the Entitled WCTH Shareholders' own risk), to the following Registrar's address:

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 Darul Ehsan
Malaysia

Telephone No.: (03) 7890 4700

An Entitled WCTH Shareholder may make the relevant payment through remittance in RM for the full amount payable in the form of Banker's Draft or Cashier's Order or Money Order or Postal Order drawn on a bank or post office in Malaysia and made out in favour of "PARADIGM REIT RSTD OFFER A/C" and crossed "A/C PAYEE ONLY" and endorsed on the reverse side with the name, address and CDS Account number of the applicant in block letters

The proof of payment must be received by the Registrar no later than 5:00 p.m. on 23 May 2025, or such later date or dates as the Manager and WCTH may decide in its absolute discretion. Cheques or any other modes of payment will not be accepted and will be rejected; or

- (ii) by way of e-Subscription - the Entitled WCTH Shareholders can have the option to subscribe the Restricted Offer Units through electronic subscription available from the Boardroom Smart Investor Portal ("**BSIP**") at <https://investor.boardroomlimited.com>. The e-Subscription is available to all Entitled WCTH Shareholders including individuals, corporate or institutional shareholders.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Applications made by way of e-Subscription which do not conform **STRICTLY** to the terms of our Prospectus or notes and instructions will not be accepted. A processing fee of RM5.00 for individual shareholder and RM5.00 for corporate shareholder will be charged by the Registrar for each CDS account subscribed for.

For individual shareholder, the remittance to the subscription of the Restricted Offer Units will be made via their own online banking platform and need to upload the payment receipt/ slip in the BSIP as a proof of payment.

For corporate shareholder, the remittance to the subscription of the Restricted Offer Units will be made via their own online banking platform and need to upload the payment receipt/ slip in the BSIP as a proof of payment.

The remittance to the subscription is to be made into the Restricted Offer Units designated bank account as follows:

Account Name: PARADIGM REIT RSTD OFFER A/C
Bank: MALAYAN BANKING BERHAD
Bank Account No.: 514057904733

For excess application, the remittance to the subscription of the Excess Restricted Offer Units is to be made into the Excess Restricted Offer Units designated bank account as follows:

Account Name: PARADIGM REIT EXCESS RSTD OFFER A/C
Bank: MALAYAN BANKING BERHAD
Bank Account No.: 514057904749

and arrange to pay handling fee of RM5.00 for each CDS account into the Registrar's bank account as follows via online payment gateway through FPX as stated in the BSIP.

Please refer to the detailed procedures and terms and conditions of e-Subscription Application set out in "**Detailed Procedures for Application and Acceptance**" accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the Registrar for further enquiries,

so as to arrive no later than 5.00 p.m. on 23 May 2025, or such later date or dates as the Manager and WCTH may decide in their absolute discretion.

If the Entitled WCTH Shareholders have more than one CDS Account being entitled to the provisionally offered Restricted Offer Units under the Restricted Offering, the Entitled WCTH Shareholders are required to use separate Offer Acceptance Forms to accept the offers relating to the respective CDS Accounts. If successful, such number of Restricted Offer Units subscribed by an Entitled WCTH Shareholder will be credited into the respective CDS Accounts as stated in the Record of Depositors. The Entitled WCTH Shareholders may not request for the Restricted Offer Units applied for in a particular CDS Account to be credited into another CDS Account or more than one CDS Account.

The minimum number of securities that can be subscribed for is 1 Restricted Offer Unit. Entitled WCTH Shareholders should take note that a trading board lot will comprise 100 Units. In determining the Entitled WCTH Shareholders' entitlements to the Restricted Offer Units, any fractional entitlements to the Restricted Offer Units will be disregarded and the aggregate of such fractions will be dealt with in such manner or on such terms as the Board and board of directors of WCTH may in its absolute discretion deem fit, necessary and/or expedient, fair and equitable and in the best interest of Paradigm REIT.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

If subscription and payment for the Restricted Offer Units offered to an Entitled WCTH Shareholder is not received by the Registrar by 5.00 p.m. on 23 May 2025 or such later date or dates as the Manager and WCTH may in their absolute discretion mutually decide and announce, the Entitled WCTH Shareholder will be deemed to have declined such offer and it will be cancelled. Such Restricted Offer Units not taken up will be allotted firstly to applicants who apply for Excess Restricted Offer Units and if undersubscribed, will be subject to the Clawback and Reallocation provision as set out in Section 3.4.3 "Clawback and Reallocation" of this Prospectus.

Proof of time of postage shall not constitute proof of time of receipt by the Registrar. The Manager and WCTH reserve the right not to accept or to accept in part only any application without providing any reason.

APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF THE MANAGER AND WCTH. DETAILS OF THE REMITTANCE MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE OFFER ACCEPTANCE FORM.

THE OFFER ACCEPTANCE FORM IS FOR USE ONLY BY PERSON(S) TO WHOM THE FORM IS ADDRESSED AND IS NOT TRANSFERABLE.

3.1.3 Procedures for part subscription

Entitled WCTH Shareholders are entitled to accept part of their entitlement to the Restricted Offer Units PROVIDED ALWAYS that:

- (i) the minimum number of Restricted Offer Units that may be accepted is 1 Restricted Offer Unit; and
- (ii) any part subscription shall be in the proportion of 1 Restricted Offer Unit.

Entitled WCTH Shareholders must complete the Offer Acceptance Form by specifying the number of Restricted Offer Units which they are subscribing for (in the stipulated proportions) and deliver or email the completed and signed Offer Acceptance Form together with the relevant payment to the Registrar in the manner set out in Section 3.1.2 "Procedures for full subscription" of Appendix F "Procedures for Application and Acceptance" of this Prospectus.

3.1.4 Procedures for Excess Restricted Offer Units Application

Any Excess Restricted Offer Units will be made available for Excess Restricted Offer Units Application. Entitled WCTH Shareholders, who accept the offered Restricted Offer Units may apply for Excess Restricted Offer Units by completing Part I(B) of the Excess Restricted Offer Units application section in the Offer Acceptance Form (in addition to Part I(A) and II) and forwarding it (together with a separate appropriate remittance(s) for the full amount payable on the Excess Restricted Offer Units applied) to the Registrar at the address above, so as to arrive no later than 5.00 p.m. on 23 May 2025, or such later date or dates as the Manager and WCTH may decide in their absolute discretion.

Payment for the Excess Restricted Offer Units applied for should be made in the same manner as set out in Section 3.1.2 "Procedures for full subscription" of Appendix F "Procedures for Application and Acceptance" of this Prospectus, except for the Banker's Draft or Cashier's Order or Money Order or Postal Order drawn on a bank or post office in Malaysia which is crossed "A/C PAYEE ONLY" and has to be made out in favour of "PARADIGM REIT EXCESS RSTD OFFER A/C" and endorsed on the reverse side with the name, address and CDS Account number of the applicant in block letters to be received by the Registrar.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Basis of allotment of Excess Restricted Offer Units

The Board and the board of directors of WCTH reserve the right to allocate any Excess Restricted Offer Units to Entitled WCTH Shareholders who have made an Excess Restricted Offer Units Application, in a fair and equitable basis and in such manner as it deems fit and expedient and in the best interest of Paradigm REIT. It is the intention of the Board and the board of directors of WCTH to allocate the Excess Restricted Offer Units, if any, in the following priority:

- (a) firstly, to minimise odd lots; and
- (b) secondly, for allocation to the Entitled WCTH Shareholders who applied for the Excess Restricted Offer Units, on a pro-rata basis according to the Entitled WCTH Shareholders' respective shareholdings in WCTH at the Entitlement Date which is to be rounded down to the nearest Unit.

Subject to the final basis of allocation of the remaining Restricted Offer Units on a pro-rata basis, the Entitled WCTH Shareholders who apply in excess of their guaranteed entitlement may receive additional allocation on a pro-rata basis according to their respective shareholdings in WCTH at the Entitlement Date.

The minimum number of Excess Restricted Offer Units which the Entitled WCTH Shareholders may applied for is 1 Restricted Offer Unit. Entitled WCTH Shareholders should take note that a trading board lot will comprise 100 Units.

3.1.5 Laws of foreign jurisdiction

Nothing in this Prospectus, the NPO and the Offer Acceptance Form constitute the making available or offer for subscription or purchase, or invitation to subscribe for or purchase, or sale of the Restricted Offer Units under the Restricted Offering in any jurisdictions other than Malaysia. No approval of, any regulatory authorities or other relevant bodies, have been or will be obtained for the making available or offer for subscription or purchase, or invitation to subscribe for or purchase, or sale of the Restricted Offer Units under the Restricted Offering in any jurisdictions other than Malaysia. Accordingly, the Restricted Offer Units under the Restricted Offering will only be available or offered or sold exclusively to persons in Malaysia.

This Prospectus, the NPO and the Offer Acceptance Form are not intended to be and will not be issued to comply with the laws of any jurisdictions other than Malaysia, and have not been and will not be lodged, registered or approved pursuant to or under any applicable securities legislation, or with or by any regulatory authorities or other relevant bodies, of any jurisdictions other than Malaysia.

This Prospectus, the NPO and the Offer Acceptance Form are not intended to be and will not be issued, circulated or distributed in any jurisdictions other than Malaysia, whether directly or indirectly, for the purpose of making available or offer for subscription or purchase, or invitation to subscribe for or purchase, or sale of the Restricted Offer Units under the Restricted Offering in any jurisdictions other than Malaysia.

As such, this Prospectus, the NPO and the Offer Acceptance Form will not be despatched to Foreign Addressed Shareholders unless they have provided an address in Malaysia for the service of this Prospectus, the NPO and the Offer Acceptance Form by the Entitlement Date. The Manager, WCTH, the Registrar and the Principal Adviser will not, prior to acting on any subscription in respect of the Restricted Offering, make or be bound to make any inquiry as to whether Entitled WCTH Shareholders have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any inquiry or investigation is made in connection therewith. Notwithstanding the foregoing, Foreign Addressed Shareholders may collect this

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Prospectus, the NPO and the Offer Acceptance Form in person from the Registrar's office, in which event the Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting this Prospectus, the NPO and the Offer Acceptance Form.

Such collection may be done during normal business hours from Mondays to Fridays (except public holidays) from the date hereof until 5.00 p.m. on 23 May 2025 (or such later date and time as the Manager and WCTH may decide in its absolute discretion and announce not less than 2 Market Days before the stipulated date and time).

It shall be the sole responsibility of each Foreign Addressed Shareholder into whose possession this Prospectus, the NPO and the Offer Acceptance Form may come or to whom such Restricted Offering is made to inform himself of, and observe all applicable laws of the relevant jurisdiction which may prohibit or restrict the making available or offer for subscription or purchase, or invitation to subscribe for or purchase, or sale of the Restricted Offer Units under the Restricted Offering, or which may prohibit or restrict the issue, circulation or distribution of this Prospectus, the NPO and the Offer Acceptance Form to him. Entitled WCTH Shareholders who are residing in jurisdictions other than Malaysia should therefore consult their legal and/or other professional advisers as to whether the Restricted Offering and/or the acceptance of the Restricted Offer Units under the Restricted Offering would result in the contravention of any laws of such jurisdiction in which the Entitled WCTH Shareholder is a resident.

Foreign Addressed Shareholders may only accept all or any part of their entitlements and exercise any other rights in respect of the Restricted Offering to the extent that it would be lawful to do so. None of the Manager, WCTH, the Registrar and the Principal Adviser or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers is making any representation or undertaking to the Foreign Addressed Shareholders regarding the legality of an investment by such Foreign Addressed Shareholder under appropriate legal, investment or similar laws. Neither the Manager, WCTH, the Registrar, Principal Adviser nor any other experts ("**Parties**") to the Restricted Offering shall, in connection with the Restricted Offering, be responsible for any breach of the laws of jurisdictions other than Malaysia to which a Foreign Addressed Shareholder is or may be subject to and he/she shall be solely responsible to seek advice as to the laws of jurisdiction to which he/she is or may be subject to. The Parties shall not accept any responsibility or liability whatsoever to any party in the event that any subscription for Restricted Offer Units under the Restricted Offering by a Foreign Addressed Shareholder is or shall become illegal, unenforceable, voidable or void in any country or jurisdiction. Foreign Addressed Shareholders will also have no claims whatsoever against the Parties in respect of their entitlements or to any net proceeds thereof.

By signing the Offer Acceptance Form accompanying this Prospectus, Foreign Addressed Shareholders are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) the Parties (or if it is a broker-dealer or custodian acting on behalf of its customer, such customer has confirmed to it that such customer has so represented, acknowledged and declared in respect of itself) that:

- (i) the Parties would not, by acting on any subscription in connection with the Restricted Offering, be in breach of the laws of any jurisdictions to which that the Foreign Addressed Shareholders are or may be subject to;
- (ii) Foreign Addressed Shareholders have complied with the laws to which they are or may be subject to in connection with any subscription in connection with the Restricted Offering;

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

- (iii) Foreign Addressed Shareholders are not a nominee or an agent of a person in respect of whom the Parties would, by acting on any subscription in connection with the Restricted Offering, be in breach of the laws of any countries or jurisdictions to which that person is or may be subject to;
- (iv) Foreign Addressed Shareholders have respectively received copies of this Prospectus, the NPO and the Offer Acceptance Form and have had access to such financial and other information and have been provided with the opportunity to pose such questions to the representatives of the Parties and receive answers thereto as they deem necessary in connection with their decision to subscribe or purchase the Restricted Offer Units under the Restricted Offering; and
- (v) Foreign Addressed Shareholders have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Restricted Offer Units under the Restricted Offering, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Restricted Offer Units under the Restricted Offering.

The Manager and WCTH will assume and shall rely on the above representation that any subscription under the Restricted Offering by Foreign Addressed Shareholders would be in compliance with the terms of the Restricted Offering and would not be in breach of the laws of any countries.

However, the Manager and WCTH reserve the right, in their absolute discretion, to treat any subscription as invalid if they or either of them believe that such subscription may violate any law or applicable legal or regulatory requirements. The Restricted Offer Units under the Restricted Offering relating to any subscription which have so been treated as invalid will be included in the pool of Excess Restricted Offer Units available for Excess Restricted Offer Units application by the Entitled WCTH Shareholders and if undersubscribed, will be subject to the Clawback and Reallocation provision as set out in Section 3.4.3 "Clawback and Reallocation" of this Prospectus.

The Foreign Addressed Shareholders will have no rights or claim whatsoever against the Manager, WCTH, Principal Adviser, any of their respective directors or any other persons involved in the Listing, in respect of their entitlements or to any proceeds thereof in respect of the Restricted Offering and the Manager, WCTH, Principal Adviser, any of their respective directors or any other persons involved in the Listing shall not accept any responsibility and liability in the event that any subscription/excess application under the Restricted Offering is or becomes illegal, unenforceable, voidable or void or shall contravene the laws in such countries or jurisdictions.

3.2 Application by the Eligible Directors and Employees (Pink Application Forms) under Restricted Pink Form Offering

The Eligible Directors and Employees will be provided separately with the letters from the Manager and WCTH detailing their respective allocations and Pink Application Forms to subscribe for the Pink Form Units. The applicants must follow the notes and instructions in the said document and where relevant in this Prospectus. The amount payable in full upon application is RM1.00 per Pink Form Unit. All duly completed Pink Application Forms should be submitted to our Group through the Human Resources or Finance Department.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Any Excess Pink Form Units shall be made available for application by the Eligible Directors and Employees who have applied for Excess Pink Form Units on top of their pre-determined allocation. It is the intention of the Board and board of directors of WCTH to allocate the Excess Pink Form Units, if any, in the following priority:

- (a) firstly, allocation on a pro-rata basis based on the number of Pink Form Offer Units applied by the Eligible Directors and Employees; and
- (b) secondly, to minimise odd lots.

The Board and the board of directors of WCTH reserve the right to allocate any Excess Pink Form Units to the Eligible Directors and Employees who have made an Excess Pink Form Units Application, in a fair and equitable basis and in such manner as it deems fit and expedient and in the best interest of Paradigm REIT. The Manager and WCTH also reserve the right to accept any Excess Pink Form Units Application, in full or in part, without assigning any reason. Thereafter, any unsubscribed Pink Form Units unallocated to the Eligible Directors and Employees will be made available for application by the Entitled WCTH Shareholders under the Restricted Offering and/or Malaysian Public under the Public Offering and the institutional investors and selected investors under the Institutional Offering, subject to the Clawback and Reallocation provisions as set out in Section 3.4.3 “Clawback and Reallocation” of this Prospectus.

Eligible Directors and Employees are not precluded from making additional applications under the Malaysian Public category using the White Application Forms, Electronic Applications or Internet Applications. If the Eligible Directors and Employees is also an Entitled WCTH Shareholder, the applicant is also entitled to make additional applications under the Restricted Offering category using the Offer Acceptance Forms.

3.3 Application by the Malaysian Public under the Retail Offering (White Application Form, Electronic Application or Internet Application) under Public Offering

Eligibility

An applicant can only apply for the Offer Units allocated to the Malaysian Public if he fulfils all the following:

- (i) the applicant must have a CDS Account. If he does not have a CDS Account, he may open a CDS Account by contacting any of the ADAs listed in Section 13 “List of ADAs” of Appendix F “Procedures for Application and Acceptance” of this Prospectus;
- (ii) the applicant must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the closing date of the Retail Offering with a Malaysian address; or
 - (b) a corporation/institution incorporated in Malaysia where, there is a majority of Malaysian citizens on the corporation’s board of directors/trustee and if the corporation/institution has a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation or provident or pension fund established or operating in Malaysia.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

The Manager will not accept applications from trustees, persons under 18 years of age, sole proprietorships, partnerships or other incorporated bodies or associations, other than corporations/institutions referred to in item (ii)(b) or (c) above or the trustees thereof; and

- (iii) the applicant is not a director or employee of the Issuing House or their immediate family members.

Applications by the Malaysian Public must be made on the White Application Forms provided or by way of Electronic Applications or Internet Applications. A corporation or institution cannot apply for Offer Units by way of Electronic Application or Internet Application. The amount payable in full upon application is RM1.00 per Offer Unit.

Applicants using the White Application Forms are not allowed to submit multiple applications in the same category of application. Further, applicants who have submitted their applications using the White Application Forms are not allowed to make additional applications using the Electronic Applications and the Internet Applications, and vice versa.

4. PROCEDURES FOR APPLICATION BY WAY OF AN APPLICATION FORM UNDER THE PUBLIC OFFERING TO THE MALAYSIAN PUBLIC

Each application for the Offer Units under the Retail Offering must be made on the correct Application Form for the relevant category of investors issued together with this Prospectus and must be completed in accordance with the notes and instructions contained in the respective category of Application Form. The Application Form together with the notes and instructions contained therein shall constitute an integral part of this Prospectus. Applications which do not conform **STRICTLY** to the terms of this Prospectus or the respective category of Application Form or notes and instructions or which are illegible may not be accepted in the absolute discretion of the Manager.

Full instructions for the application for the Offer Units offered and the procedures to be followed are set out in the Application Forms. All applicants are advised to read the Application Forms and the notes and instructions therein carefully.

Malaysian Public should follow the following procedures in making their applications through the White Application Form under the Retail Offering:

Step 1: Obtain application documents

Obtain the White Application Form together with the Official "A" and "B" envelopes and this Prospectus.

The **White** Application Forms can be obtained subject to availability from the following parties:

- (i) the Principal Adviser;
- (ii) Participating organisations of Bursa Securities;
- (iii) Members of the Association of Banks in Malaysia;
- (iv) Members of the Malaysian Investment Banking Association;
- (v) Issuing House; and
- (vi) Manager.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Step 2: Read this Prospectus

In accordance with Section 232(2) of the CMSA, the Application Forms are accompanied by this Prospectus. An applicant is advised to read and understand this Prospectus before making his application.

Step 3: Complete the relevant Application Form

Complete the relevant Application Form legibly and **STRICTLY** in accordance with the notes and instructions contained therein and in this Prospectus.

(i) Personal particulars

An applicant must ensure that his personal particulars submitted in his application are identical with the records maintained by Bursa Depository. The applicant should inform Bursa Depository promptly of any changes to his personal particulars.

If the applicant is an individual and is not a member of the armed forces or police, the name and national registration identity card ("**NRIC**") number must be the same as:

- his NRIC; or
- any official valid temporary identity document issued by the relevant authorities from time to time; or

If the applicant is a member of the armed forces or police, his name and his armed forces or police personnel number, as the case may be, must be exactly as that stated in his authority card.

For corporations/institutions, the name and certificate of incorporation number must be the same as that stated in the certificate of incorporation or the certificate of change of name, where applicable.

(ii) CDS Account number

An applicant must state his CDS Account number in the space provided in the Application Form. Invalid or nominee or third party CDS Accounts will **not** be accepted.

(iii) Details of payment

An applicant must state the details of his payment in the appropriate boxes provided in the Application Form.

(iv) Number of Offer Units applied

Applications must be for at least 100 Offer Units or multiples of 100 Offer Units for applicants using the White Application Forms.

Step 4: Prepare appropriate form of payment

Prepare the correct form of payment in RM for the FULL amount payable for the Offer Units based on the Retail Price, which is RM1.00 per Offer Unit.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Method below is relevant for White Form Application Form only whereas for Pink Application Form, kindly direct the submission of the form to our Company, through the Human Resources or Finance Department.

Payment must be made out in favour of “**MIH UNIT ISSUE ACCOUNT NO. 672**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with the applicant’s name and address. The Manager only accepts the following forms of payment:

- (i) banker’s draft or cashier’s order purchased within Malaysia only and drawn on a bank in Kuala Lumpur;
- (ii) money order or postal order (for applicants from Sabah and Sarawak only) or;
- (iii) Guaranteed Giro Order (“**GGO**”) from Bank Simpanan Nasional Malaysia Berhad.

The Manager will not accept applications with excess or insufficient remittances or inappropriate forms of payment. Remittances must be completed in the appropriate boxes provided in the White Application Forms.

Step 5: Finalise application

Insert the White Application Form together with payment and a legible photocopy of the applicant’s identification document (NRIC/official valid temporary identity document issued by the relevant authority from time to time/authority card for armed forces or police personnel/certificate of incorporation or certificate of change of name for corporate or institutional applicant or passport (where applicable)) into the Official “A” envelope and seal it. Write the applicant’s name and address on the outside of the Official “A” and “B” envelopes.

The name and address written must be identical to the applicant’s name and address as per his NRIC/official valid temporary identity document issued by the relevant authority from time to time/authority card for armed forces or police personnel/certificate of incorporation or the certificate of change of name, where applicable.

Affix a stamp on the Official “A” envelope and insert the Official “A” envelope into the Official “B” envelope.

Step 6: Submit application

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents can be submitted using one of the following methods:

- (i) despatched by **ORDINARY POST** in the official envelopes provided, to the following address:

Malaysian Issuing House Sdn Bhd
 Registration Number: 199301003608 (258345-X)
 11th Floor, Menara Symphony
 No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13
 46200 Petaling Jaya
 Selangor Darul Ehsan
 or

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

P.O. Box 00010
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor Darul Ehsan

- (ii) **DELIVERED BY HAND AND DEPOSITED** in the Drop-In Boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan,

so as to arrive not later than 5.00 p.m. on 23 May 2025, or such later date or dates as the Manager and the Joint Underwriters in their absolute discretion may decide.

The Manager, together with the Issuing House will not issue any acknowledgement of the receipt of the applicant's Application Forms or application monies. Enquires in respect of the White Application Form are to be directed to the Issuing House.

5. PROCEDURES FOR APPLICATION BY WAY OF AN ELECTRONIC APPLICATION

Only Malaysian individuals may apply for the Offer Units by way of Electronic Application in respect of the Offer Units made available for application by the Malaysian Public.

5.1 Steps for Electronic Applications through a Participating Financial Institution's ATM

- (i) The applicant must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for the Offer Units at an ATM belonging to other Participating Financial Institutions;
- (ii) The applicant must have a CDS Account;
- (iii) The applicant is advised to read and understand this Prospectus before making the application; and
- (iv) The applicant shall apply for the Offer Units via the ATM of the Participating Financial Institutions by choosing the Electronic Application option. Mandatory statements required in the application are set out in "**Terms and conditions for Electronic Applications**" in Section 5.3 "Terms and Conditions of Electronic Applications" of Appendix F "Procedures for Application and Acceptance" of this Prospectus. The applicant shall enter at least the following information through the ATM where the instructions on the ATM screen at which he enters his Electronic Application requires him to do so:
 - Personal Identification Number ("**PIN**");
 - MIH Unit Issue Account No. 672;
 - CDS Account Number;
 - Number of Offer Units applied for and/or the RM amount to be debited from the account; and
 - Confirmation of several mandatory statements.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

5.2 Participating Financial Institutions

Electronic Applications may be made through an ATM of the following Participating Financial Institutions and their branches:

- (i) Affin Bank Berhad;
- (ii) Alliance Bank Malaysia Berhad;
- (iii) AmBank (M) Berhad;
- (iv) CIMB Bank Berhad;
- (v) Malayan Banking Berhad;
- (vi) Public Bank Berhad; or
- (vii) RHB Bank Berhad.

Applicants of the Offer Units should take note that the word “share” or “shares” appearing on the ATM screen should be taken to represent “Unit(s)” in the application process.

5.3 Terms and Conditions of Electronic Applications

The procedures for Electronic Applications at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions (“**Steps**”), similar to the steps set out in “**Steps for Electronic Applications through a Participating Financial Institution’s ATM**” in Section 5.1 “Steps for Electronic Applications through a Participating Financial Institution’s ATM” of Appendix F “Procedures for Application and Acceptance” of this Prospectus. Please read carefully the terms of this Prospectus, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application.

An applicant must have a CDS Account to be eligible to use the Electronic Applications. The CDS Account must be in the applicant’s own name. Invalid, nominee or third party CDS accounts will not be accepted.

Upon the completion of his Electronic Application transaction at the ATM, an applicant will receive a computer-generated transaction slip (“**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Application or any data relating to such an Electronic Application by the Manager or the Issuing House. The Transaction Record is for the applicant’s records and should not be submitted with any Application Form.

Upon the closing of the Retail Offering on 23 May 2025 at 5.00 p.m. (“**Closing Date and Time**”), the Participating Financial Institutions shall submit a magnetic tape containing its respective customers’ applications for the Offer Units to the Issuing House as soon as practicable but not later than 12.00 p.m. of the second business day after the Closing Date and Time.

An applicant will be allowed to make only one application and shall not make any other application for the Offer Units under the Retail Offering to the Malaysian Public, whether at the ATMs of any Participating Financial Institution using the Internet Application or using the White Application Forms.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMISES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

The Electronic Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below and in Section 7 “Terms and Conditions” of Appendix F “Procedures for Application and Acceptance” of this Prospectus:

- (i) The Electronic Application shall be made in relation with and subject to the terms of this Prospectus and the Deed.
- (ii) The applicant is required to confirm the following statements (by pressing pre-designated keys (or buttons) on the ATM keyboard) and undertake that the following information given are true and correct:
 - He has attained 18 years of age as at the Closing Date and Time;
 - He is a Malaysian citizen residing in Malaysia;
 - He has read this Prospectus and understood and agreed with the terms and conditions of the application;
 - The Electronic Application is the only application that he is submitting for Offer Units offered to the Malaysian Public; and
 - He hereby gives consent to the Participating Financial Institution and Bursa Depository to disclose information pertaining to himself and his account with the Participating Financial Institution and Bursa Depository to the Issuing House and any other relevant authorities.

The application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless the applicant completes all the steps required by the Participating Financial Institution. By doing so, the applicant shall be deemed to have confirmed each of the above statements as well as giving consent in accordance with the relevant laws of Malaysia including Sections 133 and 134 of the Financial Services Act 2013 and Section 45 of the SICDA to the disclosure by the relevant Participating Financial Institution or Bursa Depository, as the case may be, of any of his particulars to the Issuing House, or any relevant regulatory bodies.

- (iii) The applicant confirms that he is not applying for the Offer Units as a nominee of any other person and that the Electronic Application that he makes is made by him as the beneficial owner. An applicant shall only make one Electronic Application and shall not make any other application for the Offer Units under the Public Offering, whether at the ATMs of any Participating Financial Institution or on the prescribed Application Forms.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

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- (iv) An applicant must have sufficient funds in his account with the relevant Participating Financial Institution at the time the Electronic Application is made, failing which the Electronic Application will not be completed. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is being made will be rejected.
 - (v) The applicant agrees and undertakes to subscribe for or purchase and to accept the number of Offer Units applied for as stated on the Transaction Record or any lesser number of Offer Units that may be allotted or allocated to him in respect of the Electronic Application. If the Manager decides to allot or allocate a lesser number of such Offer Units or not to allot or allocate any Offer Units to the applicant, he agrees to accept any such decision as final. If the applicant's Electronic Application is successful, his confirmation (by his action of pressing the pre-designated keys (or buttons) on the ATM keyboard) of the number of Offer Units applied for shall signify, and shall be treated as, his acceptance of the number of Offer Units that may be allotted or allocated to him and to be bound by the Deed.
 - (vi) The Issuing House, on the authority of the Manager, reserves the right not to accept any Electronic Application or accept any Electronic Application whole or in part only without assigning any reason. Due consideration will be given to the desirability of allotting the Offer Units to a reasonable number of applicants with a view to establishing a liquid and adequate market for the Units.
 - (vii) An applicant requests and authorises the Manager:
 - (a) to credit the Offer Units allotted to him into his CDS Account; and
 - (b) to issue Unit certificate(s) representing such Offer Units allotted in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
 - (viii) The applicant acknowledges that his Electronic Application 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, the Issuing House and/or the Participating Financial Institution and irrevocably agrees that if:
 - (a) the Manager or the Issuing House does not receive his Electronic Application; and/or
 - (b) the data relating to his Electronic Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to the Manager or Issuing House,

he shall be deemed not to have made an Electronic Application and shall not make any claim whatsoever against the Manager, the Issuing House or the Participating Financial Institution for the Offer Units applied for or for any compensation, loss or damage.
 - (ix) All of the applicant's particulars in the records of the relevant Participating Financial Institution at the time of making the Electronic Application shall be deemed to be true and correct, and the Manager, the Issuing House and the relevant Participating Financial Institution shall be entitled to rely on the accuracy.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (x) The applicant shall ensure that his personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institution are correct and identical. Otherwise, his Electronic Application will be rejected. The applicant must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allotment will be sent to his registered address last maintained with Bursa Depository.
- (xi) By making and completing an Electronic Application, the applicant agrees that:
 - (a) in consideration of the Manager agreeing to allow and accept the application for the Offer Units via the Electronic Application facility established by the Participating Financial Institutions at their respective ATMs, his Electronic Application is irrevocable;
 - (b) the Manager, the Participating Financial Institutions, Bursa Depository and the Issuing House shall not be liable for any delays, failures or inaccuracies in the processing of data relating to his Electronic Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond their control;
 - (c) notwithstanding the receipt of any payment by or on behalf of the Manager, the acceptance of his offer to subscribe for and purchase the Offer Units for which the Electronic Application has been successfully completed shall be constituted by the issue of notices of allotment in respect of the said Offer Units;
 - (d) he irrevocably authorises Bursa Depository to complete and sign on his behalf as transferee or renouncee any instrument of transfer and/or other documents required for the issue or transfer of the Offer Units allocated to him; and
 - (e) he agrees that in relation to any legal action, proceedings or disputes arising out of or in relation to the contract between the parties and/or the Electronic Application and/or any terms of this Prospectus, all rights, obligations and liabilities of the parties to the Public Offering shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies of Malaysia and that he irrevocably submits to the jurisdiction of the Courts of Malaysia.
- (xii) If an applicant is successful in his application, the Manager reserves the right to require him to appear in person at the registered office of the Issuing House within 14 days of the date of the notice issued to him to find out if his application is genuine and valid. The Manager shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by the applicant for the purpose of complying with this provision.
- (xiii) The Issuing House, on the authority of the Manager reserves the right to reject applications, which do not conform to these instructions.

6. PROCEDURES FOR APPLICATION BY WAY OF AN INTERNET APPLICATION

Only Malaysian individuals may apply for the Offer Units by way of Internet Application in respect of the Offer Units made available to the Malaysian Public.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Please read carefully and follow the terms of this Prospectus, the procedures, terms and conditions for Internet Application and the procedures set out on the internet financial services website of the Internet Participating Financial Institution before making an Internet Application.

Step 1: Set up of account

Before making an application by way of Internet Application, an applicant **must have all** of the following:

- (i) an existing account with access to internet financial services with:
 - Affin Bank Berhad at <https://rib.affinalways.com>;
 - Alliance Bank Malaysia Berhad at www.allianceonline.com.my;
 - CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd at eipo.cgsi.com.my;
 - Malacca Securities Sdn Bhd at <https://eipo.mplonline.com>;
 - Malayan Banking Berhad at www.maybank2u.com.my;
 - Moomoo Securities Malaysia Sdn. Bhd. at <https://www.moomoo.com/my>;
 - Public Bank Berhad at www.pbebank.com; or
 - RHB Bank Berhad at - <https://www.rhbgroup.com/index.html>.

The applicant needs to have his user identification and PIN/password for the internet financial services facility; and
- (ii) an individual CDS Account registered in the applicant's name (and not in a nominee's name) and in the case of a joint account an individual CDS Account registered in the applicant's name which is to be used for the purpose of the application if the applicant is making the application instead of a CDS Account registered in the joint account holder's name.

Step 2: Read this Prospectus

An applicant is advised to read and understand this Prospectus before making his application.

Step 3: Apply through internet

The following steps for an application of the Offer Units via Internet Application have been set out for illustration purposes only.

PLEASE NOTE THAT THE ACTUAL STEPS FOR INTERNET APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION MAY DIFFER FROM THE STEPS OUTLINED BELOW.

- (i) Connect to the internet financial services website of the Internet Participating Financial Institution with which the applicant has an account;
- (ii) Log in to the internet financial services facility by entering the applicant's user identification and PIN/password;

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

- (iii) Navigate to the section of the website on applications in respect of the Retail Offering;
- (iv) Select the counter in respect of the Offer Units to launch the Electronic Prospectus and the terms and conditions of the Internet Application;
- (v) Select the designated hyperlink on the screen to accept the abovementioned terms and conditions, having read and understood such terms and conditions;
- (vi) At the next screen, complete the online application form;
- (vii) Check that the information contained in the online application form, such as the share counter, NRIC number, CDS Account number, number of Offer Units applied for and the account number to debit are correct, and select the designated hyperlink on the screen to confirm and submit the online application form.

After selecting the designated hyperlink on the screen, the applicant will have to confirm and undertake that the following mandatory statements are true and correct:

- (a) He has attained 18 years of age as at the Closing Date and Time;
- (b) He is a Malaysian citizen residing in Malaysia;
- (c) He has, prior to making the Internet Application, received and/or have had access to a printed/electronic copy of this Prospectus, the contents of which he has read and understood;
- (d) He agrees to all the terms and conditions of the Internet Application as set out in this Prospectus and have carefully considered the risk factors set out in this Prospectus, in addition to all other information contained in this Prospectus, before making the Internet Application;
- (e) The Internet Application is the only application that he is submitting for the Offer Units under the Public Offering;
- (f) He authorises the financial institution with which he has an account to deduct the full amount payable for the Offer Units from his account with the said financial institution ("**Authorised Financial Institution**");
- (g) He gives express consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act 2013, and Section 45 of the SICDA) to the disclosure by the Internet Participating Financial Institution, the Authorised Financial Institution and/or Bursa Depository, as the case may be, of information pertaining to him, the Internet Application made by him or his account with the Internet Participating Financial Institution, to the Issuing House and the Authorised Financial Institution, the SC and any other relevant regulatory bodies;
- (h) He is not applying for the Offer Units as a nominee of any other person and the application is made in his own name, as beneficial owner and subject to the risks referred to in this Prospectus; and

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (i) He authorises the Internet Participating Financial Institution to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, Bursa Securities or other relevant parties in connection with the Retail Offering, all information relating to him if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution, necessary for the provision of the Internet Application services or if such disclosure is requested or required in connection with the Retail Offering. Further, the Internet Participating Financial Institution will take reasonable precautions to preserve the confidentiality of information provided by him to the Internet Participating Financial Institution in connection with the use of the Internet Application services;
- (viii) Upon submission of the online application form, the applicant will be linked to the website of the Authorised Financial Institution to affect the online payment for his 'Application';
- (ix) The applicant must pay for the Offer Units through the website of the Authorised Financial Institution, failing which the Internet Application is **not completed**, despite the display of the Confirmation Screen. "**Confirmation Screen**" refers to the screen which appears or is displayed on the internet financial services website, which confirms that the Internet Application has been completed and states the details of the applicant's Internet Application, including the number of Offer Units applied for, which can be printed out by the applicant for record purposes;
- (x) As soon as the transaction is completed, a message from the Authorised Financial Institution pertaining to the payment status will appear on the screen of the website through which the online payment for the Offer Units is being made. Subsequently, the Internet Participating Financial Institution shall confirm that the Internet Application has been completed, via the Confirmation Screen on its website; and
- (viii) The applicant is advised to print out the Confirmation Screen for reference and records.

Note:

Applicants of the Offer Units should take note that the word "share" or "shares" appearing on the internet financial services website of the Internet Participating Financial Institutions should be taken to represent "Unit(s)" in the application process.

7. TERMS AND CONDITIONS

An application under the Retail Offering is subject to the following additional terms and conditions:

- (i) An applicant is required to pay the Retail Price of RM1.00 for each Offer Unit he has subscribed for.
- (ii) An applicant can only submit one application for the Offer Units offered to the Malaysian Public. For example, if he submits an application using the White Application Form, he cannot submit an Electronic Application or Internet Application and vice versa.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

However, if he has made an application under the Pink Application Form or the Offer Acceptance Form, he can still apply for the Offer Units offered to the Malaysian Public using the White Application Form, or by way of the Electronic Application or the Internet Application.

The Issuing House, acting under the authority of the Manager, has the discretion to reject applications that appear to be multiple applications under each category of applicants.

In relation to the White Application Forms, we wish wishes to caution you that if you submit more than one application in your own name or by using the name of others, with or without their consent, you will be committing an offence under Section 179 of the CMSA and may be punished with a minimum fine of RM1,000,000 and a jail term of up to ten years under Section 182 of the CMSA.

- (iii) The Electronic Application and Internet Application platforms will not be available to facilitate application of Offer Units under the Restricted Offering.
- (iv) The application must be made in connection with and subject to this Prospectus and the Deed. The applicant agrees to be bound by the Deed should he be allotted any Offer Units.
- (v) The submission of an application does not necessarily mean that the application will be successful. Any submission of application is irrevocable and cannot be subsequently withdrawn.
- (vi) Neither the Manager nor the Issuing House will issue any acknowledgement of the receipt of the application or application monies.
- (vii) An applicant must ensure that his personal particulars submitted in his application and/or his personal particulars as recorded by the Participating Financial Institution and/or Internet Participating Financial Institution are correct, accurate and identical with the records maintained by Bursa Depository. Otherwise, his application will be rejected. Bursa Depository will have to be promptly notified of any change in his address, failing which the notification letter of successful allocation will be sent to his registered/correspondence address last maintained with Bursa Depository.
- (viii) An applicant's remittances having been presented for payment shall not signify that his application has been accepted.

The Manager's acceptance of the application to subscribe for the Offer Units shall be constituted by the issue of notices of allotment for the Offer Units to the applicant.

- (ix) Submission of an applicant's CDS Account number in his application includes his authority/consent in accordance with Malaysian laws for Bursa Depository, the Participating Financial Institution and the Internet Participating Financial Institution (as the case may be) to disclose information pertaining to his CDS Account and other relevant information to WCTH, the Manager, the Issuing House and any relevant regulatory bodies (as the case may be).

The applicant agrees to accept WCTH and/or the Manager's decision as final should the WCTH and/or Manager decide not to allot any Offer Units to him.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (x) Additional terms and conditions for the Electronic Applications are as follows:
- (a) The applicant agrees and undertakes to subscribe for or purchase and to accept the number of Offer Units applied for as stated in the Transaction Record or any lesser number of Offer Units that may be allotted or allocated to him.
 - (b) An applicant's confirmation (by his action of pressing the pre-designated keys or buttons on the ATM keyboard) of the number of Offer Units applied for shall signify, and shall be treated as his acceptance of the number of Offer Units that may be allotted or allocated to him and to be bound by the Deed.
 - (c) The applicant confirms that he is not applying for the Offer Units as a nominee of any other person and that the Electronic Application that he makes is made by him as the beneficial owner.
 - (d) The applicant requests and authorises the Manager to credit the Offer Units allotted to him into his CDS Account and to issue Unit certificate(s) representing those Offer Units allotted in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
 - (e) The applicant acknowledges that his Electronic Application 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, the Issuing House, the Participating Financial Institution and/or Bursa Depository. The applicant irrevocably agrees that if the Manager or the Issuing House does not receive his Electronic Application and/or the data relating to his Electronic Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to the Manager or the Issuing House, he shall be deemed not to have made an Electronic Application. He shall not make any claim whatsoever against the Manager, the Issuing House, the Participating Financial Institution and/or Bursa Depository for the Offer Units applied for or for any compensation, loss or damage.
 - (f) The applicant irrevocably authorises Bursa Depository to complete and sign on his behalf as transferee or renounce any instrument of transfer and/or other documents required for the issue or transfer of the Offer Units allocated to him.
 - (g) The applicant agrees that in the event of legal disputes arising from the use of the Electronic Applications, the mutual rights, obligations and liabilities shall be determined under the laws of Malaysia and be bound by the decisions of the Courts of Malaysia.

- (xi) Additional terms and conditions for Internet Application are as follows:

The terms and conditions outlined below supplement the additional terms and conditions for Internet Application contained in the internet financial services website of the Internet Participating Financial Institution. Please refer to the internet financial services website of the Internet Participating Financial Institution for the exact terms and conditions and instructions.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (a) The application will not be successfully completed and cannot be recorded as a completed application unless the applicant has paid for the Offer Units through the website of the Authorised Financial Institution and completed all relevant application steps and procedures for the Internet Application which would result in the Internet financial services website displaying the Confirmation Screen. The applicant is required to complete his Internet Application by the close of the Retail Offering as mentioned in Section 1 "Opening and Closing of Applications" of Appendix F "Procedures for Application and Acceptance" of this Prospectus.
- (b) The applicant irrevocably agrees and undertakes to subscribe for and to accept the number of Offer Units applied for as stated on the Confirmation Screen or any lesser number of Offer Units that may be allotted or allocated to the applicant in respect of his Internet Application. His applicant's confirmation (by way of his action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as the applicant's acceptance of the number of Offer Units that may be allotted or allocated to him in the event that his Internet Application is successful or successful in part, as the case may be.
- (c) The applicant requests and authorises the Manager to credit the Offer Units allotted to him into his CDS Account and to issue Unit certificate(s) representing such Offer Units allotted in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
- (d) The applicant acknowledges that the Internet Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires and other events beyond the control of the Manager, the Issuing House, the Internet Participating Financial Institution and/or the Authorised Financial Institution. He irrevocably agrees that if the Manager, the Issuing House, the Internet Participating Financial Institution and/or the Authorised Financial Institution do not receive the applicant's Internet Application and/or payment, and any data relating to the applicant's Internet Application or the tape or any other devices containing such data and/or payment is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially and for any reason whatsoever, the applicant shall be deemed not to have made an Internet Application. He will not make any claim whatsoever against the Manager, the Issuing House, the Internet Participating Financial Institution and/or the Authorised Financial Institution in relation to the Offer Units applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.
- (e) The applicant irrevocably authorises Bursa Depository to complete and sign on his behalf as transferee or renounce any instrument of transfer and/or other documents required for the issue or transfer of the Offer Units allocated to him.
- (f) The applicant agrees that in the event of legal disputes arising from the use of the Internet Application, the mutual rights, obligations and liabilities shall be determined under the laws of Malaysia and be bound by the decisions of the Courts of Malaysia.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (g) The applicant shall hold the Internet Participating Financial Institution harmless from any damages, claims or losses whatsoever, as a consequence of or arising from any rejection of his Internet Application by the Manager, the Issuing House and/or the Internet Participating Financial Institution for reasons of multiple applications, suspected multiple applications, inaccurate and/or incomplete details provided by the applicant, or any other cause beyond the control of the Internet Participating Financial Institution.
- (h) The applicant is not entitled to exercise any remedy of rescission for misrepresentation at any time after the Manager, the Issuing House and/or the Internet Participating Financial Institution have accepted his Internet Application.
- (i) In making the Internet Application, the applicant has relied solely on the information contained in this Prospectus. The Manager, WCTH, the Principal Adviser, the Joint Underwriters and any other person involved in the Retail Offering should not be liable for any information not contained in this Prospectus which may have been relied by the applicant in making the Internet Application.

8. AUTHORITY OF THE MANAGER AND THE ISSUING HOUSE

The application will be selected in a manner to be determined by the Board and board of directors of WCTH. Due consideration will be given to the desirability of allotting and allocating the Offer Units to a reasonable number of applicants with a view to establishing a liquid and adequate market for the Offer Units.

The Issuing House, on the authority of the Board and board of directors of WCTH, reserves the right to:

- (i) reject applications which:
 - (a) do not conform to the instructions of this Prospectus, Application Forms, Electronic Application and Internet Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of remittance;
- (ii) reject or accept any application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 10 "Unsuccessful/Partially Successful Applicants" of Appendix F "Procedures for Application and Acceptance" of this Prospectus.

If the applicant is successful in his application, the Manager reserves the right to require the applicant to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to the applicant to ascertain that his application is genuine and valid. The Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by the applicant for the purpose of complying with this provision.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

9. OVER/UNDER-SUBSCRIPTION

In the event of over-subscription in the Retail Offering, the Issuing House will conduct a ballot in the manner approved by the Manager to determine the acceptance of applications in a fair and equitable manner. In determining the manner of balloting, the Manager will consider the desirability of allotting and allocating the Offer Units to a reasonable number of applicants for the purpose of broadening the unitholding base of Paradigm REIT and establishing a liquid and adequate market for the Units.

The basis of allocation of the Offer Units and the balloting results in connection therewith will be furnished by the Issuing House to the SC, Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website (www.mih.com.my) within 1 Market Day after the balloting event.

Pursuant to the Listing Requirements, at least 25.0% of the total number of Units in issue must be held by a minimum number of 1,000 public unitholders holding not less than 100 Units each upon completion of the Retail Offering and at the point of Listing or such other minimum public spread as may be approved by Bursa Securities. The Manager expects to achieve this at the point of Listing. In the event that the above requirement is not met, the Manager may not be allowed to proceed with the Listing. In the event thereof, monies paid in respect of all applications will be refunded without interest.

In the event of an under-subscription of the Offer Units by the Malaysian public and/or Eligible Directors and Employees (subject to the Clawback and Reallocation provisions as set out in Section 3.4.3 "Clawback and Reallocation" of this Prospectus), any of the Offer Units not applied for under the Retail Offering will then be subscribed by the Joint Underwriters pursuant to the Retail Underwriting Agreement.

10. UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS

If the applicant is unsuccessful/partially successful in his application, his application monies (without interest) will be refunded to the applicant in the following manner.

10.1 For applications by way of Application Forms

- (i) The application monies or the balance of it, as the case may be, will be refunded to the applicant through the self-addressed and stamped Official "A" envelope the applicant provided by ordinary post (for fully unsuccessful applications) or by crediting into he has provided to Bursa Depository for the purpose of cash dividend / distribution) or if he has not provided such bank account information to Bursa Depository, the balance of Application monies be refunded via banker's draft sent by ordinary/registered post to his last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at the applicant's own risk.
- (ii) If the application is rejected because he did not provide a CDS Account number, the application monies will be refunded via banker's draft sent by ordinary/registered post to the applicant's address stated in the NRIC official or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if the applicant is a member of the armed forces or police) at the applicant's own risk.
- (iii) A number of applications will be reserved to replace any successfully balloted applications that are subsequently rejected. The application monies relating to these applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

- (iv) The Issuing House reserves the right to bank into its bank account all application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into the applicant's bank account (the same bank account the applicant has provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by ordinary post to the applicant's last address maintained with Bursa Depository if the applicant have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

10.2 For applications by way of Electronic Application and Internet Application

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions of the unsuccessful or partially successful applications within 2 Market Days after the balloting date. The full amount of the application monies or the balance of it will be credited (without interest) into the applicant's account with the Participating Financial Institution or Internet Participating Financial Institution (or arranged with the Authorised Financial Institution) within 2 Market Days after the receipt of confirmation from the Issuing House.
- (ii) The applicant may check his account on the fifth Market Day from the balloting date.
- (iii) A number of applications will be reserved to replace any successfully balloted applications that are subsequently rejected. The application monies relating to these applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into the applicant's account with the Participating Financial Institution or Internet Participating Financial Institution (or arranged with the Authorised Financial Institution) not later than 10 Market Days from the date of the final ballot. For applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institution will be informed of the unsuccessful or partially successful applications within 2 Market Days after the final balloting date. The Participating Financial Institution will credit the application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

11. SUCCESSFUL APPLICANTS

If an applicant is successful in his application:

- (i) The Offer Units allotted to the applicant will be credited into the applicant's CDS Account.
- (ii) A notice of allotment will be despatched to the applicant at his last address maintained with the Bursa Depository, at the applicant's own risk, before the Listing. This is the applicant's only acknowledgement of acceptance of his application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed the Offer Units as Prescribed Securities. As such, the Offer Units issued through this Prospectus will be deposited directly with Bursa Depository and any dealings in these Units will be carried out in accordance with the SICDA and Rules of Bursa Depository.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iv) In accordance with Section 29 of the SICDA, all dealings in the Offer Units will be by book entries through CDS accounts. No physical Unit certificates will be issued to the applicant and he shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as the Offer Units are listed on Bursa Securities.
- (v) In the event that the Final Retail Price is lower than the Retail Price, the difference will be refunded to the applicant without any interest thereon. The refund will be credited into the applicant's bank account for purposes of cash dividend/distribution if the applicant have provided such bank account information to Bursa Depository or despatched, in the form of cheques, by ordinary post to his address maintained with Bursa Depository if the applicant has not provided such bank account information to Bursa Depository for applications made via Application Forms, or by crediting into his account with the Electronic Participating Financial Institutions for applications made via the Electronic Application or by crediting into his account with the Internet Participating Financial Institutions for applications made via the Internet Application, within 10 Market Days from the date of final ballot of Applications, at the applicant's own risk.

12. ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Offer Acceptance Forms	Registrar
White Application Forms	Issuing House
Pink Application Forms	Issuing House
Electronic Application	Participating Financial Institution
Internet Application	Internet Participating Financial Institution and Authorised Financial Institution

If you are applying for the Offer Units as a member of the Malaysian Public, an applicant may check the status of his application by logging onto the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your application will be available by 3:00 p.m.. Alternatively, an applicant may contact his respective ADA at the telephone number as stated in Section 13 "List of ADAs" of Appendix F "Procedures for full subscription" of this Prospectus or the Issuing House at (03) 7890 4700 between 5 to 10 Market Days (during office hours only) after the balloting date.

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

13. List of ADAs

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows:

Name	Address and telephone number	Broker Code
<u>KUALA LUMPUR</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	2 nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr. Ismail 60000 Kuala Lumpur Tel. No.: 03 - 7710 6688	068-009
AFFIN HWANG INVESTMENT BANK BERHAD	Mezzanine & 3 rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel. No.: 03 – 2143 8668	068-018
AFFIN HWANG INVESTMENT BANK BERHAD	38A & 40A, Jalan Midah 1 Taman Midah 56000 Cheras Kuala Lumpur Tel. No.: 03 – 9130 8803	068-021
AMINVESTMENT BANK BERHAD	8-9, 11-18, 21-25th Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel. No.: 03 – 2031 0102	086-001
BIMB SECURITIES SDN BHD	Level 34, Menara Bank Islam 22, Jalan Perak 50450 Kuala Lumpur Tel. No.: 03 – 2691 8887 / 2613 1700	024-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	3rd Floor 2 & 4 Jalan Mutiara Timur Satu Taman Mutiara Cheras 56100 Kuala Lumpur Tel. No.: 03 – 9132 7424/7428/7429	065-001
CIMB SECURITIES SDN BHD (formerly known as KAF Equities Sdn Bhd)	14 th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel. No.: 03 – 2171 0216	053-001
FA SECURITIES SDN BHD	A-10-1 & A-10-17 Level 10, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1 59000 Kuala Lumpur Tel. No.: 03 – 2288 1676	021-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>KUALA LUMPUR (Cont'd)</u>		
HONG LEONG INVESTMENT BANK BERHAD	Mezzanine Floor Level 3A, Block B, HP Towers No. 12, Jalan Gelenggang 60000 Kuala Lumpur Tel. No.: 03 – 2080 8777	066-002
HONG LEONG INVESTMENT BANK BERHAD	Level 27 & 28, Menara Hong Leong No. 6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Tel. No.: 03 – 2083 1800	066-008
INTER-PACIFIC SECURITIES SDN BHD	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel. No.: 03 – 2117 1888	054-001
INTER-PACIFIC SECURITIES SDN BHD	Ground Floor, 7-0-8, Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel. No.: 03 – 7984 7796	054-003
INTER-PACIFIC SECURITIES SDN BHD	No. 33-1 (First Floor) Jalan Radin Bagus Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel. No.: 03 – 9056 2922	054-007
KENANGA INVESTMENT BANK BERHAD	Level 17, Kenanga Tower, 237 Jalan Tun Razak 50400 Kuala Lumpur Tel. No.: 03 – 2172 2888	073-001
MALACCA SECURITIES SDN BHD	No 76-1, Jalan Wangsa Maju Delima 6 Pusat Bandar Wangsa Maju (KLSC) Setapak 53300, Kuala Lumpur Tel. No.: 03 – 4144 2565	012-001
MALACCA SECURITIES SDN BHD	B-M-10, Block B Plaza Arkadia Jalan Intisari Perdana Desa Park City 52200 Kuala Lumpur Tel. No.: 03-2733 9782	012-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>KUALA LUMPUR (Cont'd)</u>		
MALACCA SECURITIES SDN BHD	B01-A-13A Level 13A, Menara 2 No.3, Jalan Bangsar KL ECO City 59200 Kuala Lumpur Tel. No.: 03-2201 2100	012-001
MAYBANK INVESTMENT BANK BERHAD	Level 5, Tower C Dataran Maybank No.1, Jalan Maarof 59000 Kuala Lumpur Tel. No.: 03-2297 8888	098-001
MAYBANK INVESTMENT BANK BERHAD	27, 31 to 33 Floor Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Tel. No.: 03-2059 1888	098-007
MERCURY SECURITIES SDN BHD	L-7-2, No. 2 Jalan Solaris Solaris Mont' Kiara 50480 Kuala Lumpur Tel. No.: 03 -6203 7227	093-002
MOOMOO SECURITIES MALAYSIA SDN BHD (formerly known as Futu Malaysia Sdn Bhd)	Level 9, Menara Khuan Choo 75A Jalan Raja Chulan Bukit Bintang 50200 Kuala Lumpur Tel. No.: 03-9212 0718	062-001
PHILLIP CAPITAL SDN BHD (formerly known as Alliance Investment Bank Berhad)	B-3-6, Block B, Level 3 Megan Avenue II No.12, Jalan Yap Kwan Seng 50450 Kuala Lumpur Tel. No.:03-2783 0361	076-001
NEWPARADIGM SECURITIES SDN BHD (formerly known as PM Securities Sdn Bhd)	Level 12, EXSIM Tower (Block D) Millerz Square @ Old Klang Road Megan Legasi, No. 357, Jalan Klang Lama 58000 Kuala Lumpur Tel. No. : 03-2054 8000	064-001
PUBLIC INVESTMENT BANK BERHAD	27th Floor, Menara Public Bank 2 No. 78, Jalan Raja Chulan 50200 Kuala Lumpur Tel. No.: 03 – 2268 3000	051-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>KUALA LUMPUR (Cont'd)</u>		
RHB INVESTMENT BANK BERHAD	Level 1, Tower 3 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel. No.: 03-9280 2233/2354	087-001
RHB INVESTMENT BANK BERHAD	Level 5, Tower One RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel. No.: 03-9280 2453	087-001
RHB INVESTMENT BANK BERHAD	No. 62, 62-1, 64 & 64-1, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Tel. No.: 03 – 6257 5869	087-028
RHB INVESTMENT BANK BERHAD	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Tel. No.: 03 – 4280 4798	087-054
RHB INVESTMENT BANK BERHAD	Ground Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel. No.: 03 – 9058 7222	087-058
TA SECURITIES HOLDINGS BERHAD	Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel. No.: 03 – 2072 1277	058-003
UOB KAY HIAN SECURITIES (M) SDN BHD	N3, Plaza Damas 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel. No.: 03 – 6205 6000	078-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 19th Floor Menara Keck Seng 203 Jalan Bukit Bintang 55100 Kuala Lumpur Tel. No.: 03 – 2147 1888	078-010

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Name	Address and telephone number	Broker Code
<u>SELANGOR DARUL EHSAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite B 3A1, East Wing 3Ath Floor Wisma Consplant 2 No. 7, Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: 03 – 5635 6688	068-010
AFFIN HWANG INVESTMENT BANK BERHAD	4th Floor, Wisma Meru 1 Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel. No.: 03 – 3343 9999	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	No.79-1, Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel. No.: 03 – 3322 1999	068-023
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03 – 7710 6613	086-001
APEX SECURITIES BERHAD (formerly known as JF Apex Securities Berhad)	Level 5, Menara UAC No.12, Jalan PJU7/5, Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel. No.03 7890 8899 ext 2012/2007	079-001
APEX SECURITIES BERHAD (formerly known as JF Apex Securities Berhad)	16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03 – 7620 1118	079-002
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	No. A-07-01 & A-07-02 Empire Office Tower Empire Subang Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: 03-5631 7934/7892	065-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>SELANGOR DARUL EHSAN (Cont'd)</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st Floor (No. 11A) Jalan Kenari 1 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel. No.: 03-5891 6852	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st Floor, No. 26A(F), 26A(M) & 26A(B) Jalan SJ6, Taman Selayang Jaya 68100 Batu Caves Selangor Darul Ehsan Tel. No.: 03-6137 1680	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	2nd Floor (No. 26-2) Lorong Batu Nilam 4B Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel. No.: 03-3325 7105/7106	065-001
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiarra Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03 – 7725 9095	073-001
KENANGA INVESTMENT BANK BERHAD	Level 1 East Wing Wisma Consplant 2 No. 7 Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: 03 – 5621 2118	073-001
KENANGA INVESTMENT BANK BERHAD	35 (Ground, 1st & 2nd Floor) Jalan Tiara 3, Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel. No.: 03 – 3348 8080	073-001
MALACCA SECURITIES SDN BHD	No. 16, Jalan SS15/4B 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: 03 – 5636 1533	012-001
MALACCA SECURITIES SDN BHD	No. 54M, Mezzanine Floor Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03 – 7876 1533	012-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>SELANGOR DARUL EHSAN (Cont'd)</u>		
MAYBANK INVESTMENT BANK BERHAD	Wisma Bentley Music Level 1, No. 3, Jalan PJU 7/2 Mutiar Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03 – 7718 8888	098-004
MAYBANK INVESTMENT BANK BERHAD	Suite 8.02, Level 8, Menara Trend Intan Millennium Square No. 68, Jalan Batai Laut 4 Taman Intan, 41300 Klang Selangor Darul Ehsan Tel. No.: 03 – 3050 8888	098-003
MIDF AMANAH INVESTMENT BANK BERHAD	Level 21, Menara MBSB Bank, PJ Sentral Lot 12, Persiaran Barat, Seksyen 52 46200 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03 – 2173 8888	026-001
NEWPARADIGM SECURITIES SDN BHD (formerly known as PM Securities Sdn Bhd)	1st Floor, 157- A, Jalan Kenari 23A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel. No.: 03 – 8070 0773	064-003
NEWPARADIGM SECURITIES SDN BHD (formerly known as PM Securities Sdn Bhd)	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel. No.: 03 – 3341 5300	064-007
RHB INVESTMENT BANK BERHAD	1,3 & 5, Tingkat 2 Jalan 52/18 New Town Centre 46200 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03 – 7873 6366 / 7875 8428	087-011
RHB INVESTMENT BANK BERHAD	First Floor, 10 & 11 Jalan Maxwell 48000, Rawang Selangor Darul Ehsan Tel. No.: 03 – 6092 8916	087-047
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel. No.: 03 – 3343 9180	087-048

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Name	Address and telephone number	Broker Code
<u>SELANGOR DARUL EHSAN (Cont'd)</u>		
RHB INVESTMENT BANK BERHAD	Unit 1B, 2B & 3B Jalan USJ 10/1J USJ 10, 47610 UEP Subang Jaya Selangor Darul Ehsan Tel. No.: 03 – 8022 1888	087-059
SJ SECURITIES SDN BHD	26, Jalan Pendaftar U1/54 Temasya Glenmarie 40150 Shah Alam Selangor Darul Ehsan Tel. No.: 03 – 5567 3000	096-001
SJ SECURITIES SDN BHD	No. A-3-11 Block Alamanda 10 Boulevard Lebuhraya Sprint, PJU 6A 47400 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03 – 7732 3862	096-005
TA SECURITIES HOLDINGS BERHAD	No. 2-1, 2-2, 2-3 & 4-2 Jalan USJ 9/5T, Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Tel. No.: 03 – 8025 1880	058-005
TA SECURITIES HOLDINGS BERHAD	2nd Floor, Wisma TA 1A Jalan SS20/1, Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03 – 7729 5713	058-007
<u>MELAKA</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	Ground, 1st & 2nd Floor No. 191, Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel. No.: 06 – 289 8800	065-001
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM9 Plaza Pandan Malim (Business Park) Balai Panjang 75250 Melaka Tel. No.: 06 – 337 1533	012-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Name	Address and telephone number	Broker Code
<u>MELAKA (Cont'd)</u>		
MERCURY SECURITIES SDN BHD	81, 81A & 81B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel. No.: 06 – 2921 898	093-003
KENANGA INVESTMENT BANK BERHAD	71 (Ground, A&B) & 73 (Ground, A&B) Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel. No.: 06 – 2881 720	073-001
NEWPARADIGM SECURITIES SDN BHD (formerly known as PM Securities Sdn Bhd)	No 6-1, Jalan Lagenda 2, Taman 1 Lagenda, 75400 Melaka Tel. No.: 06 – 288 0050	064-006
RHB INVESTMENT BANK BERHAD	579, 580 & 581, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel. No.: 06 – 282 5211	087-026
TA SECURITIES HOLDINGS BERHAD	59, 59A, 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel. No.: 06 – 286 2618	058-003
UOB KAY HIAN SECURITIES (M) SDN BHD	7-2 Jalan PPM8 Malim Business Park 75250 Melaka Tel. No.: 06 – 335 2511	078-014
<u>PERAK DARUL RIDZUAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	21, Jalan Stesen Ground Floor, 1, 2 & 3 34000 Taiping Perak Darul Ridzuan Tel. No.: 05 – 806 6688	068-003
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (<i>formerly known as CGS-CIMB Securities Malaysia Sdn Bhd</i>)	Ground, 1st, 2nd & 3rd Floor No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05 – 208 8688	065-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>PERAK DARUL RIDZUAN (Cont'd)</u>		
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05 – 2530 888	066-003
KENANGA INVESTMENT BANK BERHAD	Ground, 1st, 2nd & 4th Floor No. 63 Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05 – 242 2828	073-022
M & A SECURITIES SDN BHD	5th and 6th Floor and Unit 8A M&A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel. No.: 05 – 241 9800	057-001
MALACCA SECURITIES SDN BHD	No 3, 1st Floor, Persiaran Greenhill 30450, Ipoh Perak Darul Ridzuan Tel. No.: 05 – 254 1533 / 254 1577	012-013
MAYBANK INVESTMENT BANK BERHAD	B-G-04 (Ground Floor), Level 1 & 2 42 Persiaran Greentown 1 Pusat Dagangan Greentown 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05 – 245 3400	098-002
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 17, Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel. No.: 05 – 623 6498	087-014
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 23 & 25 Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel. No.: 05 – 692 1228	087-016
RHB INVESTMENT BANK BERHAD	Unit E-2-2A, E-3-2A, E-4-2A & E-5-2A SOHO Ipoh 2, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel. No.: 05-241 5100	087-023

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>PERAK DARUL RIDZUAN (Cont'd)</u>		
RHB INVESTMENT BANK BERHAD	Ground Floor, No. 40, 42 & 44 Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel. No.: 05 – 808 8229	087-034
RHB INVESTMENT BANK BERHAD	No 1&3, 1st Floor Jalan Wawasan Satu Taman Wawasan Jaya 34200 Parit Buntar Perak Darul Ridzuan Tel. No.: 05 – 717 0888	087-052
TA SECURITIES HOLDINGS BERHAD	Ground, 1st & 2nd Floor Plaza Teh Teng Seng No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel. No.: 05 – 253 1313	058-001
UOB KAY HIAN SECURITIES (M) SDN BHD	153A Jalan Raja Musa Aziz 30300 Ipoh Perak Darul Ridzuan Tel. No.: 05 – 241 1290	078-002
<u>PULAU PINANG</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 2, 3, 4, 5, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Pulau Pinang Tel. No.: 04-2636996	068-001
AFFIN HWANG INVESTMENT BANK BERHAD	No. 2 & 4, Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Tel. No.: 04-5372882	068-006
AMINVESTMENT BANK BERHAD	3rd Floor, Menara Liang Court 37, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel. No.: 04-2261818	086-001
APEX SECURITIES BERHAD (formerly known as JF Apex Securities Berhad)	368-2-5 Jalan Burmah Belissa Row 10350 Pulau Tikus Pulau Pinang Tel. No.: 04-2289118	079-005

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>PULAU PINANG (Cont'd)</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	Level 2, Menara BHL, 51, Jalan Sultan Ahmad Shah, 10050 Pulau Pinang Tel. No.: 04-2385900	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	No. 20-1 & 20-2 Persiaran Bayan Indah Bayan Bay, Sungai Nibong 11900 Nayan Lepas Pulau Pinang Tel. No.: 04-6412 881	065-001
MALACCA SECURITIES SDN BHD	28, Lorong Tangling Indah 3 Taman Tangling Indah 14100 Simpang Ampat Pulau Pinang Tel. No.: 04-506 0967	012-001
MALACCA SECURITIES SDN BHD	No.62 1 st Floor, Jalan Mayang Pasir 1 Mukim 12 Bandar Bayan Lepas 11950 Bayan lepas Pulau Pinang Tel. No.: 04-642 1533	012-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor, Bangunan KWSP No. 38, Jalan Sultan Ahmad Shah 10050 Georgetown, Pulau Pinang Tel. No.: 04 – 219 6888	098-006
MERCURY SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor Wisma UMNO Lorong Bagan Luar Dua 12000 Butterworth, Seberang Perai Pulau Pinang Tel. No.: 04 – 332 2123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor, Standard Chartered Bank Chambers 2, Lebuhr Pantai 10300 Pulau Pinang Tel. No.: 04 – 263 9118	093-004
MERCURY SECURITIES SDN BHD	D'Piazza Mall 70-1-22 Jalan Mahsuri 11900 Bandar Bayan Baru Pulau Pinang Tel. No.: 04 – 640 0822	093-006

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Name	Address and telephone number	Broker Code
<u>PULAU PINANG (Cont'd)</u>		
KENANGA INVESTMENT BANK BERHAD	7 th , 8 th & 16 th Floor Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel.No.: 04-228 3355	073-023
PHILLIP CAPITAL SDN BHD (formerly known as Alliance Investment Bank Berhad)	29A, Ground Floor Beach Street 10300 Pulau Pinang Tel. No.: 04-261 6363	076-015
NEWPARADIGM SECURITIES SDN BHD (formerly known as PM Securities Sdn Bhd)	56B, 1 st Floor Jalan Perak, Perak Plaza 10150 Pulau Pinang Tel. No.: 04-2273 000	064-004
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Pulau Pinang Tel. No.: 04 – 390 0022	087-005
RHB INVESTMENT BANK BERHAD	64 & 64-D Ground Floor-3rd Floor & 5th-8th Floor Lebuh Bishop 10200 Pulau Pinang Tel. No.: 04 – 263 4222	087-033
RHB INVESTMENT BANK BERHAD	1st Floor No. 15-1-5, 15-1-6, 15-2-5, 15-2-6 & 15-2-24 Medan Kampung Relau (Bayan Point) 11950 Pulau Pinang Tel. No.: 04 – 640 4888	087-042
TA SECURITIES HOLDINGS BERHAD	3rd Floor, Bangunan Heng Guan No. 171, Jalan Burmah 10050 Pulau Pinang Tel. No.: 04 – 227 2339	058-010
UOB KAY HIAN SECURITIES (M) SDN BHD	1st Floor, Bangunan Heng Guan 171 Jalan Burmah 10050 Pulau Pinang Tel. No.: 04 – 229 9318	078-002
UOB KAY HIAN SECURITIES (M) SDN BHD	21Jalan Bayu Mutiara 2 Taman Bayu Mutiara 14000 Bukit Mertajam Pulau Pinang Tel. No.: 04 – 504 7313 / 7316	078-003

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Name	Address and telephone number	Broker Code
<u>PAHANG DARUL MAKMUR</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	Ground, 1st & 2nd Floor No. A-27, Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel. No.: 09 – 505 7800	065-001
KENANGA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2 Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel. No.: 09 – 517 1698	073-001
MALACCA SECURITIES SDN BHD	P11-3, Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel. No.: 09 – 222 0993	012-001
PHILLIP CAPITAL SDN BHD (formerly known as Alliance Investment Bank Berhad)	Ground, Mezzanine & 1st Floor B400, Jalan Beserah 25300 Kuantan Pahang Darul Makmur Tel. No.: 09 – 566 0800	076-002
RHB INVESTMENT BANK BERHAD	No. 12 Ground Floor, 1st and 2nd Floor Jalan Putra Square 1 Putra Square 25300 Pahang Darul Makmur Tel. No.: 09-517 3811	087-007
<u>KELANTAN DARUL NAIM</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	Level 4 Wisma TCH (formerly known as Wisma Square Point) Jalan Pengkalan Chepa 15400 Kota Bharu Kelantan Darul Naim Tel. No.: 09-741 9050/9051 / 9052 / 9053	065-001
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 3953-H, Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel. No.: 09 – 743 0077	087-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel. No.: 09 – 7432 288 / 3388	058-004

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>KELANTAN DARUL NAIM (Cont'd)</u>		
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1st Floor Lot 712, Sek 9, PT 62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel. No.: 09 – 747 3906	078-004
<u>TERENGGANU DARUL IMAN</u>		
PHILLIP CAPITAL SDN BHD <i>(formerly known as Alliance Investment Bank Berhad)</i>	No. 46, 1 st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Tel.No.: 09-6317 922	076-009
RHB INVESTMENT BANK BERHAD	1st Floor, 59 Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel. No.: 09 – 626 1816	087-055
UOB KAY HIAN SECURITIES (M) SDN BHD	37-B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel. No.: 09 – 622 4766	078-016
<u>KEDAH DARUL AMAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 70 & 70A, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel. No.: 04 – 425 6666	068-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	2nd Floor, No. 102 Kompleks Persiaran Sultan Abdul Hamid Jalan Pegawai 05050 Alor Setar Kedah Darul Aman Tel. No.: 04-777 4400/4401	065-001
MALACCA SECURITIES SDN BHD	No. 9, First Floor Kompleks Perniagaan LITC Jalan Putra Mergong 05150 Alor Setar Kedah Darul Aman Tel. No.: 04 – 735 0888	012-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>KEDAH DARUL AMAN (Cont'd)</u>		
PHILLIP CAPITAL SDN BHD <i>(formerly known as Alliance Investment Bank Berhad)</i>	Lot T-30, 2nd Floor, Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel. No.: 04 – 731 7088 / 8270	076-004
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor, 214-A, 214-B, 215-A & 215-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel. No.: 04 – 720 9888	087-021
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 4, 5 & 5A, 1st Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahaan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel. No.: 04 – 732 2111	078-007
<u>NEGERI SEMBILAN DARUL KHUSUS</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 29G, Jalan S2 B16 Pusat Dagangan Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel. No.: 06-603 7408	068-007
AFFIN HWANG INVESTMENT BANK BERHAD	6, Upper Level, Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel. No.: 06 – 455 3188	068-013
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st Floor, No 21, Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel. No.: 06-455 3166/3266	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	2nd Floor, Lot 3110 Jalan Besar, Lukut 71010 Port Dickson Negeri Sembilan Darul Khusus Tel. No.: 06-651 5385	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	No. 38, 1st Floor Jalan S2 B18 Biz Avenue Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel. No.: 06-761 4651	065-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>NEGERI SEMBILAN DARUL KHUSUS (Cont'd)</u>		
KENANGA INVESTMENT BANK BERHAD	1C & 1D, Ground & 1st Floor Jalan Tunku Munawir 70000 Seremban, Negeri Sembilan Tel. No.: 06 – 765 5998	073-001
MAYBANK INVESTMENT BANK BERHAD	Wisma HM No. 43, Jalan Dr Krishnan 70000 Seremban Negeri Sembilan Tel. No.: 06 – 766 9555	098-005
NEWPARADIGM SECURITIES SDN BHD (formerly known as PM Securities Sdn Bhd)	1st-3rd Floor 19-21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel. No.: 06 – 762 3131	064-002
NEWPARADIGM SECURITIES SDN BHD (formerly known as PM Securities Sdn Bhd)	Ground & 1 st Floor No. 3, Jalan Dato Abdullah 71200 Kuala Klawang Negeri Sembilan Darul Khusus Tel. No.: 06 – 613 7767	064-002
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 32 & 33, Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel. No.: 06 – 764 1641	087-024
<u>JOHOR DARUL TAKZIM</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel. No.: 07 – 222 2692	068-004
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel. No.: 07 - 434 2282	086-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM (Cont'd)</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	No 73, Ground Floor No 73A & 79A, First Floor Jalan Kuning Dua, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: 07 – 340 5888	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	1st Floor, No. 384A Jalan Simbang, Taman Perling 81200 Johor Bahru Johor Darul Takzim Tel. No.: 07-232 9673	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	2nd Floor, 113 & 114 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel. No.: 07-931 1509/1523	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	1st Floor, 101 Jalan Gambir 8 Bandar Baru Bukit Gambir 84800 Muar Johor Darul Takzim Tel. No.: 06-976 4559/4560	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	1st Floor No. 8A Jalan Dedap 20 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel. No.: 07-353 7669/7959	065-001
INTER-PACIFIC SECURITIES SDN BHD	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel. No.: 07 – 223 1211	054-004
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: 07 – 333 3600	073-004
KENANGA INVESTMENT BANK BERHAD	57 Jalan Ali 84000 Muar Johor Darul Takzim Tel. No.: 06 – 953 1222	073-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM (Cont'd)</u>		
KENANGA INVESTMENT BANK BERHAD	916, Ground Floor Jalan Bakek 82000, Pontian Johor Darul Takzim Tel: 07 – 686 1121	073-001
M & A SECURITIES SDN BHD	Suite 5.3A, Level 5, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: 07 – 338 1233	057-003
MALACCA SECURITIES SDN BHD	No. 40A, Jalan Perang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: 07 335 1533	012-001
MALACCA SECURITIES SDN BHD	1735-B, Jalan Sri Putri 4 Taman Putri Kulai 81000 Kulaijaya Johor Darul Takzim Tel: 07 – 663 8877	012-001
MALACCA SECURITIES SDN BHD	Lot 880, 3 ½ Mile Jalan Salleh 84000 Muar Johor Darul Takzim Tel: 06 – 9536 948	012-001
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: 07 – 331 6992	093-005
PHILLIP CAPITAL SDN BHD (formerly known as Alliance Investment Bank Berhad)	No. 73, 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel. No.: 07 – 771 7922	076-006
NEWPARADIGM SECURITIES SDN BHD (formerly known as PM Securities Sdn Bhd)	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel. No.: 07 – 433 3608	064-008

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM (Cont'd)</u>		
RHB INVESTMENT BANK BERHAD	53, 53-A & 53-B, Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel. No.: 07 – 438 0288	087-009
RHB INVESTMENT BANK BERHAD	No. 33-1, 1st & 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel. No.: 06 – 953 8262	087-025
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel. No.: 07 – 557 7628	087-029
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel. No.: 07 – 932 1543	087-030
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 40 Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel. No.: 07 – 776 9655	087-031
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel. No.: 07 – 662 6288	087-035
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor, No. 21 & 23 Jalan Molek 1/30, Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel. No.: 07 -352 2293	087-043
TA SECURITIES HOLDINGS BERHAD	7A, Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel. No.: 07 – 943 5278	058-009

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM (Cont'd)</u>		
TA SECURITIES HOLDINGS BERHAD	15, Jalan Molek 1/5A Taman Molek 81000 Johor Bahru Tel. No.: 07 – 364 7388	058-011
TA SECURITIES HOLDINGS BERHAD	No. 29-03, Jalan Sri Pelangi Taman Pelangi 80400 Johor Bahru Tel. No.: 07-3364672	058-013
UOB KAY HIAN SECURITIES (M) SDN BHD	Level 6 & 7, Menara MSC Cyberport No. 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel. No.: 07 – 333 2000	078-001
UOB KAY HIAN SECURITIES (M) SDN BHD	42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel. No.: 07 – 663 5651	078-001
<u>SARAWAK</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Ground Floor & 1st Floor No. 1, Jalan Pending 93450 Kuching Sarawak Tel. No.: 082 – 34 1999	068-005
AMINVESTMENT BANK BERHAD	1st, 2nd, & 3rd Floor, No. 162, 164, 166 & 168 Jalan Abell 93100 Kuching Sarawak Tel. No.: 082 – 24 4791	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibu Sarawak Tel. No.: 084 – 367 700	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	Level 1 (North), Wisma STA 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel. No.: 082 – 35 8688	065-001

PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>SARAWAK (Cont'd)</u>		
KENANGA INVESTMENT BANK BERHAD	Lot 1866, Jalan MS 2/5 Marina Square 2 Marina Parkcity 98000 Miri Sarawak Tel. No.: 085 – 43 5577	073-001
KENANGA INVESTMENT BANK BERHAD	Level 2-4, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel. No.: 082 – 33 8000	073-001
KENANGA INVESTMENT BANK BERHAD	11-12, Ground & 1st Floor Lorong Kampung Datu 3 96000 Sibu Sarawak Tel. No.: 084 – 31 3855	073-001
MERCURY SECURITIES SDN BHD	1st Floor 16, Jalan Getah 96100 Sarikei Sarawak Tel. No.: 084 – 65 6281	093-001
RHB INVESTMENT BANK BERHAD	Tingkat Bawah dan Tingkat 1 No. 221, Parkcity Commerce Square Phase III Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel. No.: 086-31 7678	087-053
RHB INVESTMENT BANK BERHAD	Yung Kong Abell Units No. 1-10, 2 nd Floor Lot 365, Section 50 Jalan Abell 93100 Kuching Sarawak Tel. No.: 082-250 888	087-008
RHB INVESTMENT BANK BERHAD	No. 102, Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Tel. No.: 084 – 32 9100	087-008
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel. No.: 084 – 31 9998	058-002

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Name	Address and telephone number	Broker Code
<u>SARAWAK (Cont'd)</u>		
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 1265, 1st Floor Centre Point Commercial Centre Jalan Melayu 98000, Miri Sarawak Tel: 085 – 32 4128	078-017
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1st Floor No 16, Lorong Intan 6 96000 Sibu Sarawak Tel: 084 – 25 2737	078-018
<u>SABAH</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite 1-9-E1, 9th Floor CPS Tower Centre Point Sabah No. 1, Jalan Centre Point 88000 Kota Kinabalu Sabah Tel. No.: 088 – 31 1688	068-008
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	1st & 2nd Floor Central Building No. 28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel. No.: 088 – 32 8878	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	1st Floor, Lot 12 Block A3, Phase 2 Utama Place Mile 6, Northern Road 90000 Sandakan Sabah Tel. No.: 089-21 5578	065-001
KENANGA INVESTMENT BANK BERHAD	Level 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel. No.: 088 – 23 6188	073-032
RHB INVESTMENT BANK BERHAD	2nd Floor 81 & 83, Jalan Gaya 88000 Kota Kinabalu Sabah Tel. No.: 088 – 26 9788	087-010

PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

Name	Address and telephone number	Broker Code
<u>SABAH (Cont'd)</u> UOB KAY HIAN SECURITIES (M) SDN BHD	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Tel. No.: 088 – 23 4090	078-011