

AmFIRST Real Estate Investment Trust

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 and Maybank Trustees Berhad, companies incorporated under the Companies Act, 1965 repealed and replaced with Companies Act, 2016 with effect from 31 January 2017]

MINUTES OF THE NINTH ANNUAL GENERAL MEETING OF
THE UNITHOLDERS OF AMFIRST REAL ESTATE INVESTMENT TRUST ("AMFIRST REIT")
CONDUCTED VIA ONLINE MEETING PLATFORM AT [HTTPS://WEB.LUMIAGM.COM/](https://web.lumiagm.com/)
PROVIDED BY BOARDROOM SHARE REGISTRARS SDN. BHD. AT
12TH FLOOR, MENARA SYMPHONY, NO. JALAN PROF. KHOO KAY KIM,
SEKSYEN 13, 46200 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA
ON WEDNESDAY, 7 JULY 2021 AT 10:00 A.M.

PRESENT REMOTELY

Board of Directors of AmREIT Managers Sdn. Bhd. : Mr Soo Kim Wai (Chairman of the Meeting)
Y.Bhg. Dato' Wong Nam Loong
Y.Bhg. Dato' Abdullah Thalith bin Md Thani
Y.Bhg. Tan Sri Mazlan bin Mansor
Encik Azlan Baqee bin Abdullah
Mr Christopher Yap Huey Wen
Y.M. Raja Nazirin Shah bin Raja Mohamad

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

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

Independent Moderator : Mr Krishman Varges
(KPMG Management & Risk Consulting Sdn. Bhd.)

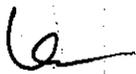
Poll Administrator : Encik Khairul Iqram Bin Zainal Abidin
(Boardroom Share Registrars Sdn. Bhd.)

Independent Scrutineers : Ms. Martini Binti Mat Som
(Commercial Quest Sdn. Bhd.)

Trustee : Ms. Bernice Lau
(Head Operation, Maybank Trustees Berhad)

External Auditors : Ms Lee Pei Yin
(Ernst & Young PLT)

CHAIRMAN'S
INITIALS



ITEM	MINUTES	ACTION
9/1	CHAIRMAN'S WELCOMING ADDRESS	
1.1	Mr Soo Kim Wai (" the Chairman ") welcomed all Unitholders to the second virtual Annual General Meeting of AmFIRST REIT which was held in compliance with Clause (g)(ii) of Schedule 1 of the Third Restated Deed.	
1.2	The Chairman informed that the latest Guidelines issued by the Securities Commission on 1 June 2021 states that listed issuers are only allowed to conduct fully virtual general meetings during "Total Lockdown" He then informed that AmFIRST REIT's Ninth Annual General Meeting (" 9th AGM ") was conducted fully virtual through live streaming and online remote voting from the online meeting platform via LUMI AGM Facilities provided by Boardroom Share Registrars Sdn Bhd in Malaysia and he will be chairing the 9th AGM in accordance with the Third Restated Deed.	
1.3	The 9th AGM was conducted fully virtual during the Phase 1 of the National Recovery Plan period in consideration of the health and safety, and in the best interest of the Unitholders of AmFIRST REIT. The Chairman then introduced the Board of Directors, the Senior Management, and other attendees that were present at the 9th AGM of AmFIRST REIT.	
9/2	UNITHOLDERS AND PROXIES	
A total of 104 Unitholders, Proxies and Corporate Representatives representing a total of 1,849,533 units in AmFIRST REIT, registered for the 9th AGM via Remote Participation and Voting Facilities, LUMI AGM Facilities, as confirmed by AmFIRST REIT's Share Registrar, Boardroom Share Registrars Sdn. Bhd.		
9/3	CHAIRMAN AS APPOINTED PROXIES	
3.1	The Company Secretary, Ms Ruzeti Emar Binti Mohd Rosli, informed that a total of 29 Unitholders, Proxies and Corporate Representatives holding a total of 273,536,685 units in AmFIRST REIT had appointed the Chairman of the Meeting as their proxy to vote on their behalf at the 9th AGM. Out of those, there were 5 Proxies and Corporate Representatives.	

CHAIRMAN'S
INITIALS



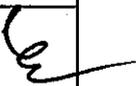
ITEM	MINUTES	ACTION
9/4	QUORUM	
4.1	The Chairman invited the Company Secretary to confirm the quorum for the 9th AGM.	
4.2	The Company Secretary confirmed that a quorum was present pursuant to Paragraph (f) of Schedule 1 of the Third Restated Deed, and a total 59 Unitholders, Proxies and Corporate Representatives had logged into the online meeting platform via LUMI AGM Facilities.	
4.3	The Chairman then took the Chair and called the Meeting to order.	
9/5	NOTICE OF MEETING	
	With the permission of the Meeting, the Chairman informed that the Notice convening the Meeting was taken as read by the Unitholders, Proxies and Corporate Representatives present.	
9/6	VOTING PROCEDURES	
6.1	The Chairman highlighted that in accordance to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), all Resolutions set out in the Notice of 9th AGM shall be put to vote by electronic poll ("E-Polling").	
6.2	He informed that Boardroom Share Registrars Sdn. Bhd. has been appointed as Poll Administrator to conduct the E-Polling process and Commercial Quest Sdn. Bhd. shall verify the poll results as an Independent Scrutineers for the 9th AGM.	
6.3	Thereafter, the Chairman exercised the powers conferred under Schedule 1 of the Third Restated Deed, whereby as Chairman of the Meeting, he demanded for poll on all the resolutions set out in the Notice of 9th AGM dated 31 May 2021.	
6.4	The Chairman also informed that the voting function had been activated and all Unitholders, Proxies and Corporate Representatives were allowed to submit their votes for all the resolutions any time from 10:00 a.m. until the end of the voting session is announced.	
6.5	A short video by Boardroom Share Registrars Sdn. Bhd. was played to demonstrate to the Unitholders, Proxies and Corporate Representatives on the remote E-Polling process via LUMI AGM Facilities.	

CHAIRMAN'S
INITIALS



ITEM	MINUTES	ACTION
9/7	PRESENTATION ON THE FINANCIAL PERFORMANCE AND OPERATION REVIEW	
7.1	Before proceeding with the Ordinary Business of the agenda of the Meeting being to receive the Audited Financial Statements for the financial year ended 31 March 2021 of AmFIRST REIT together with the Reports of the Trustee and Auditors thereon, the Chairman invited Y.M. Raja Nazirin Shah bin Raja Mohamad, the Executive Director cum Chief Executive Officer ("CEO") of AmREIT Managers Sdn Bhd ("the Manager of AmFIRST REIT") to present AmFIRST REIT's financial performance for the financial year ended 31 March 2021 and the updates on the operations.	
7.2	The CEO gave his welcoming speech to those present at the Meeting and the following salient points on AmFIRST REIT's operations and financial performance were duly noted by the Unitholders: -	
	1. <u>Key Highlights for the financial year ended 31 March 2021</u>	
	<ul style="list-style-type: none">• Achieved a solid occupancy rate at 81% as at 31 March 2021 a During FY2021, with 82% tenant retention or more than 600,000 square feet being renewed.• lock-in new commercial space from new tenants of more than 68,000 square during FY2021.• Achieved a 27% reduction in electricity consumption amounted to RM3.6 million as compared to the year 2016, from the energy optimisation and Go-Green initiatives.• All the above factors contributed to the total annual return of 11.6% for the financial year ended 31 March 2021 which was significantly better compared to the preceding financial year which recorded at -20.53%.	
	2. <u>Statement of Comprehensive Income for Financial Year Ended 31 March 2021</u>	
	<ul style="list-style-type: none">• Gross Revenue marginally declined by 11.3% year-on-year mainly due to rental rebate and waiver given to tenants affected by the COVID-19 pandemic and lower overall portfolio occupancy from 84.9% as at 31 March 2020 to 81.2% as at 31 March 2021.• Interest expenses decreased by 23.5% from RM37.9 million in FY2020 to RM29.0 million due to various drop in the overnight policy rate during FY2021. Currently, all the borrowings of AmFIRST	

CHAIRMAN'S
INITIALS



ITEM	MINUTES	ACTION
	<p>REIT are on the floating rate basis, hence enabling the Trust to benefit from the current low interest rate.</p> <ul style="list-style-type: none"> As a result, the total realised income generated for FY2021 was recorded at RM21.5 million. Total DPU of 2.82 sen was declared in FY2021, representing a distribution ratio of 90%. 	
	<p>3. <u>Statement of Financial Position as at 31 March 2021</u></p> <ul style="list-style-type: none"> Investment properties decreased to RM1.628 billion due to the fair value loss of RM22.9 million, largely from The Submit Subang USJ. Borrowings have increased slightly to RM814 million to finance the ongoing capital expenditure and working capital. Net Asset Value per unit declined to RM1.186 mainly due to the revaluation loss on investment properties. 	
	<p>4. <u>Capital and Interest Rate Management</u></p> <ul style="list-style-type: none"> Gearing increased slightly to 48.7% as at 31 March 2021 with 100% of the borrowings are on the floating rate basis. The current average interest rate is 3.18% per annum. The lower interest cost was resulted from lower cost of debts as a result of reduction in OPR. The Manager estimates an interest saving of RM2.0 million for every 25 bps reduction in OPR and vice versa. The weighted average maturity of the borrowings profile was 3.2 year with no immediate loan maturity except for RM118 million revolving credit facilities which are subject to annual review. 	
	<p>5. <u>Asset Under Management</u></p> <ul style="list-style-type: none"> The current asset portfolio includes nine (9) properties which consist of seven (7) office buildings, one (1) mixed development consisting of office, hotel, carpark and retail mall in Subang USJ, and a HyperMall in Bukit Mertajam. Additional capital expenditures of RM4.2 million were incurred during FY2021 mainly on lift modernisation at Bangunan AmBank Group and installation of hot 	

CHAIRMAN'S
INITIALS



ITEM	MINUTES	ACTION
------	---------	--------

water tanks and chiller water system at the Summit Hotel.

- As at 31 March 2021, the valuation of the nine (9) investment properties were approximately RM1.651 billion.

Net revaluation loss of RM22.9 million was reported, where this was largely contributed by The Summit Subang USJ, which comprise of retail lots and hotel, being amongst sectors most affected by the outbreak.

6. Diversified Asset Portfolio and Tenants' Base

- Asset class by asset value comprises of 64% Office, 17% HyperMall, 14% Retail Mall and 5% Hotel.
- Top ten (10) tenants accounted for 69.8% or RM74.9 million of the annual gross revenue with AmBank Group as the largest tenant contributed 36.0% of the annual gross revenue.

7. Average Portfolio Occupancy

- The average overall portfolio occupancy declined from 86.0% in FY2020 to 83.0% in FY2021 mainly due to reduction in occupancy of Prima 9 as result of the surrender of 58% spaces occupied by the Medical Device Authority as well as lower occupancy in Summit Retail Mall.

8. Leasing Management

- Achieved tenants' retention of 82% with 606,248 sf was renewed and a negative rental reversion of 17% during FY2021.
- Secured nine (9) new tenants with total leased area of 68,917 sf during FY2021.
- 41% or approximately 0.7 million sf of the leased area are subject for renewal in FY2022.

9. Market Overview

- Gross Domestic Product contracted 5.6% in 2020 and is forecasted to achieve a negative growth of 0.5% in Q12021.

CHAIRMAN'S
INITIALS



ITEM	MINUTES	ACTION
	<ul style="list-style-type: none">• Unemployment rate was expected to rise to a range of 3.5% to 5.5% due to the Covid-19 pandemic in 2021.• Inflation was projected to average higher in 2021 due to higher global oil prices.• Prolonged COVID-19 pandemic was expected to exert further pressure on the oversupplied office market.• Leasing activity remained subdued with the possibility of further impacts from the total lockdown.	
	<p>10. <u>Market Outlook for Kuala Lumpur Office</u></p> <ul style="list-style-type: none">• Overall occupancy in KL City declined from 73.6% in 2019 to 69.4% in 2020, whereas occupancy in KL Fringe improved from 85.1% in 2019 to 86% in 2020 which saw negative absorption in Q12021.• Occupancy rate continue to be under pressure which saw a negative absorption in Q12021.• Average rental in KL City remained under pressure from growing challenges attributed to COVID-19 pandemic and the imbalance of office supply and demand.• Cumulative supply for KL City and KL Fringe stood at 56.1 million sf and 29.4 million sf respectively.• Approximately 10.8 million sf of new supply was expected throughout year 2021 and 2022.• The trend of Work From Home and implementation of Movement Control Order ("MCO") had further depressed the office market.	
	<p>11. <u>Market Outlook for Selangor Retail</u></p> <ul style="list-style-type: none">• Overall occupancy for Selangor retail declined marginally from 79.4% in 2019 to 78.2% in 2020.• Average rental rates remained steady in Selangor in the first half of year 2020.• Cumulative supply declined from 39.0 million sf in 2019 to 33.4 million sf in 2020.• Retail landscape continued to remain weak due to cautious consumer spending amid the economic	

CHAIRMAN'S
INITIALS



ITEM

MINUTES

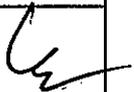
ACTION

downturn and with the reinforcement of MCO 3.0 that has derailed the gradual recovery of the economy.

12. Navigating through Covid-19 Pandemic

- Targeted Rental Assistance Programme
 - Rolled out a targeted rental assistance programme on a case-by-case basis, where rental rebate amounted to RM4.2 million have been granted to the affected tenants where more than 98% of the rebates went to tenants in the retail and hotel sectors in FY2021.
 - Apart from the targeted rental assistance programme, the Trust had also provided other assistance to support affected tenants such as rental instalment scheme, deferment of rental payment and short-term renewal at lower rental during FY2021.
- Prudent Capital Management
 - Implemented stringent cost control, limit non-essential capital expenditure, and distributed 90% of realised income by retaining 10% in order to preserve cash in the uncertain time.
 - Current available undrawn credit facilities stood at RM64 million.
- Proactive Leasing Management
 - To focus on tenants' retention by implementing proactive marketing strategies.
 - To reinvent and redefine the Manager's business model to be more resilient by adapting the operational models to the 'new normal' apart from focusing on tenants' retention and proactive marketing strategies.
- Diversification of asset class
 - To continue to look at opportunistic divestment of low yielding assets as a strategy to rationalise the asset portfolio and optimize the gearing level before exploring for diversification of asset into other asset class such as logistics asset which has exhibited a degree of resilient during the

CHAIRMAN'S
INITIALS



ITEM	MINUTES	ACTION
------	---------	--------

outbreak as the crisis has accelerated the demand for e-commerce.

13. Moving Forward: Improve Distribution and Long-Term Value Creation

- The Manager will focus on three (3) key strategies to improve the distribution and deliver long term value to the Unitholders: -
 - Sector-specific Leasing Initiative:
 - To assist existing tenants in the portfolio (organic growth) that require more space due to social distancing.
 - To focus on tenants that are accelerating the digitalisation process.
 - To focus on essential services tenants as demand will likely be strong over the next two (2) to three (3) years.
 - Portfolio Rationalisation:
 - To dispose the non-performing assets in order to reduce gearing and recycle capital into better assets.
 - To diversify into logistics by riding on the e-commerce wave.
 - To diversify into other asset classes to reduce dependency on the office and retail assets in the current portfolio.
 - Prudent Capital Management:
 - To focus on achieving the targeted gearing level of 35% to 40% through optimisation of capital structure.
 - To actively manage interest rates and establish effective hedging strategies.

CHAIRMAN'S
INITIALS



ITEM	MINUTES	ACTION
------	---------	--------

- To maintain competitive interest rate and diverse funding sources.

14. Focus for FY2022

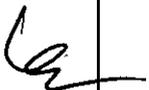
- The Manager will remain focused on three (3) key strategies in FY2022: -
 - Continue Rescue Plan
 - to continue with the rescue plan for the tenants (especially in the retail and SME segment) during the ongoing MCO and post MCO which may lead to future tenancy renewals of current tenants.
 - Focus on acquiring essential tenants
 - to focus on acquiring essential tenants who will be a natural hedge against the ongoing COVID-19 pandemic such as, Lulu Hypermarket (hypermarket MNC) and CMA CGM France (global shipping MNC).
 - Summit Hotel repositioning
 - to continue to reposition The Summit Hotel as a quarantine centre for global travellers who enter Malaysia. This action plan was considered a stable business model in a very volatile and fragile hospitality industry.

7.3 The Chairman then invited questions from the Unitholders, Proxies and Corporate Representatives. He mentioned that the Questions and Answers session will be moderated by the Independent Moderator KPMG Management & Risk Consulting Sdn Bhd. The questions posed were made visible to all during the meeting and multiple and repetitive questions were summarised collectively by the Independent Moderator.

The Independent Moderator then proceeded to read out questions received and the responses by the Chairman, CEO, Chief Financial Officer and External Auditors were set out in “Appendix 1” enclosed together with the Minutes.

7.4 On the conclusion of the Questions and Answers session, the Chairman thanked the Unitholders, Proxies and Corporate Representatives for their questions and comments. He informed that the LUMI chat messaging platform for submission of question has been closed, then continued with the main agenda of the Meeting.

CHAIRMAN'S
INITIALS



ITEM	MINUTES	ACTION
------	---------	--------

9/8	AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 AND REPORTS OF THE TRUSTEE AND AUDITORS THEREON	
-----	--	--

8.1	The Chairman informed that the adoption of the Audited Financial Statements for the financial year ended 31 March 2021 together with the Reports of the Trustee and Auditors (the "Reports") does not require the formal approval from the Unitholders. He further explained, the Reports were only tabled for discussion and will not be put forth for voting.	
-----	---	--

8.2	Accordingly, the Chairman informed the Meeting that the Audited Financial Statements for the financial year ended 31 March 2021 of AmFIRST REIT together with the Reports of the Trustee and Auditors thereon be received and adopted.	
-----	--	--

9/9	SPECIAL BUSINESS	
-----	-------------------------	--

9.1	The Chairman then proposed the following Resolutions:-	
-----	--	--

9.1.1	ORDINARY RESOLUTION NO. 1	
-------	----------------------------------	--

PROPOSED AUTHORITY TO ALLOT AND ISSUE NEW UNITS PURSUANT TO CLAUSE 6.59 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

9.1.1.1	Ordinary Resolution no. 1 was to give the Directors of the Manager, from the date of the AGM, authority to allot and issue up to 20% of the existing total number of units issued of AmFIRST REIT for the time being, as and when the need or business opportunities arise which the directors were to consider to be in the best interest of AmFIRST REIT.	
---------	---	--

9.1.1.2	The authority, unless revoked or varied at a general meeting, will expire at the next annual general meeting in 2022.	
---------	---	--

9.1.2	ORDINARY RESOLUTION NO. 2	
-------	----------------------------------	--

ENHANCED GENERAL MANDATE FOR RIGHTS ISSUE OF UP TO 50% OF THE TOTAL NUMBER OF ISSUED UNITS IN AmFIRST REIT ON PRO RATA BASIS ("ENHANCED RIGHTS ISSUE MANDATE")

Ordinary Resolution no. 2 was to give the authority to increase the enhanced general mandate for rights issue of up to 50% of the total number of issued units in AmFIRST REIT on pro rata basis.

CHAIRMAN'S
INITIALS

Ge

ITEM	MINUTES	ACTION
9/10	OPENING OF POLL	
10.1	As all agendas set out in the Notice of 9th AGM had been dealt with, the Chairman clarified that the E-Polling process had commenced since the beginning of the 9th AGM and informed that for those who had yet to vote, to cast their votes on all the resolutions accordingly.	
10.2	He then reminded the Unitholders, Proxies and Corporate Representatives that he had been appointed as proxy for a number of Unitholders and shall vote in accordance with the instructions given.	
10.3	Thereafter, the Chairman informed that the poll voting would be closed in the next five (5) minutes from 11.15 a.m. and the results of the poll would be announced after the voting process ended and being verified by the Independent Scrutineers.	
10.4	The polling closed at 11.20 a.m. and the Meeting adjourned for another ten (10) minutes for the Independent Scrutineers to verify the polling results.	
9/11	POLL ANNOUNCEMENT RESULTS	
11.1	The Chairman informed that the polling results for Ordinary Resolutions No. 1 and No. 2 had been duly verified by Commercial Quest Sdn. Bhd., the appointed Independent Scrutineers.	
11.2	At 11.30 a.m., the Chairman called the Meeting to order for the declaration of poll results. He informed that he had received the poll results for all the resolutions from the Poll Administrator and verified by the Independent Scrutineers attached as "Annexure A".	
11.3	The Chairman then invited Ms. Martini Binti Mat Som from Commercial Quest Sdn. Bhd., the Independent Scrutineers to read out the results of the poll.	
11.4	Ms. Martini Binti Mat Som informed that the poll results were compiled by the Poll Administrator, Boardroom Share Registrars Sdn. Bhd. and verified by the Independent Scrutineers, Commercial Quest Sdn. Bhd. She then read out the poll results as follows:	

CHAIRMAN'S
INITIALS



ITEM	MINUTES			ACTION		
------	---------	--	--	--------	--	--

	FOR			AGAINST		
	NO. OF			NO. OF		
	REC	UNITS	%	REC	UNITS	%
Ordinary Resolution No. 1	282	274,607,937	99.4074	85	1,637,161	0.5926
Ordinary Resolution No. 2	260	274,564,203	99.3929	103	1,677,163	0.6071

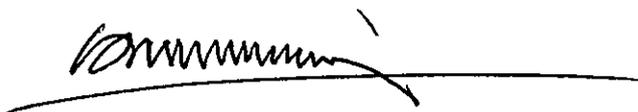
11.5 The poll results were flashed on the screen to those virtually present.

11.6 Based on the poll results shown, the Chairman declared that Ordinary Resolution No. 1 and No. 2 as set out in the Notice of 9th AGM were duly carried.

9/12 **CLOSURE**

There being no other business, the Chairman thanked all Unitholders, Proxies and Corporate Representatives for their participation at AmFIRST REIT's second virtual AGM and declared that the 9th AGM concluded at 11:45 a.m.

SIGNED AS A CORRECT RECORD OF THE PROCEEDINGS THEREAT



CHAIRMAN

DATE:

CHAIRMAN'S INITIALS



CHAIRMAN'S
INITIALS

**AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
CONSULTING SDN. BHD. ("KMPG")**

Appendix 1

A. QUESTIONS ADDRESSED BY THE CHAIRMAN AND MANAGEMENT OF AmFIRST REIT

No.	Question	Originator	Category	Response from the Chairman and/or the Management	Status
1.	Will AmFIRST REIT be offering newly added shares to current Unitholders first?	Mr Muhammad Luqman Hakim	Financial	<p>Under the Enhanced Rights Issue, new Units will be offered to the existing Unitholders of AmFIRST REIT based on their unitholding on a pro-rata basis.</p> <p>The Chairman informed that under the general mandate via private placement, the new Units will be issued to identified parties other than:-</p> <p>(i) directors, major Unitholders or chief executive or a holding company of the listed issuer or interested persons connected to them;</p> <p>(ii) nominee corporations, unless the names of the ultimate beneficiaries are disclosed.</p>	Answered
2.	Will AmFIRST REIT be offering dividend reinvestment plan for current Unitholders?	Mr Muhammad Luqman Hakim	Financial	<p>The Chairman informed that at the moment, AmFIRST REIT does not have any plan to implement the dividend reinvestment scheme.</p>	Answered

**AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
CONSULTING SDN. BHD. ("KMPG")**

Appendix 1

3.	Would the Board and Management consider providing Unitholders with door gifts/tokens of appreciation?	Mr Loo Tuck Fatt; Mr Loo Yeo Ming and others	Administrative	The Chairman informed that the 2021 AGM was conducted fully virtual and as disclosed in the Administrative Guide attached together with the Notice of AGM, the Manager of AmFIRST REIT will not distribute door gifts or vouchers to the Unitholders for this AGM.	Answered
4.	Did the Management undertake a review on low yielding assets like Summit USJ which carries a high borrowing amount versus income generated? Are there any plans to dispose it to bring down total bank borrowings which in turn will help in improving the financial performance?	Mr Ser Boon Teck	Strategy	<p>The CEO informed that as part of the divestment strategy to rationalise the existing portfolio of the Trust, the Manager had planned to review the low-yielding assets. He further explained, the plan started two (2) years ago when the market was at its mediocre point, and it was agreed that the Manager was to focus on DPU and gearing level by collaborating with market that was involved in the supermarket industry with The Summit Subang USJ as the first to seal the deal.</p> <p>The CEO informed that the Trust had also offered proposal to various investors who had entered into Non-Disclosure Agreement and paid refundable commitment fees for the divestment of The Summit Subang USJ. However, due to the unfavourable market condition, it was aborted. Nonetheless, the Manager is confident that the financial result will show improvements by 2022.</p> <p>Therefore, at the moment, the immediate strategy was to fill up the vacant retail area of The Summit</p>	Answered

Appendix 1

AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK CONSULTING SDN. BHD. ("KMPG")

			<p>Subang USJ with tenants that will thrive in the new normal. It was estimated about 45,000 square feet has been secured by a supermarket, and thus, a much needed anchor tenant is required for value creation.</p>	
5.	<p>Does Management plan to change its investment strategies and diversify the property portfolio including investing in industrial properties instead of predominantly relying on office rental income which has particularly seen an oversupply in Klang Valley and lack of competitiveness in getting new tenants to sustain high occupancy rate?</p>	Chan Choun Sien	<p>The Chairman informed that currently, the Trust is considering to diversify its investments into logistic assets as one of the strategy of the portfolio rationalisation.</p>	Answered
6.	<p>What is Management's view on Da Men mall as it is expected to become a major competitor and detract footfall from Summit USJ, especially with the earmarked opening of Dadi Cinema and its strategies in rebranding the mall? What are the unique selling propositions of Summit USJ and are there any plans to attract more new tenants or expand footfall?</p>	Mr Ser Boon Teck	<p>The CEO informed that the Trust is working hard in enhancing The Summit Subang USJ as a preferred choice of neighborhood mall seeing that about 45,000 square feet has been secured by a supermarket. In addition, there is another 20,000 square feet plus 10,000 square feet of sub-anchors coming subject to final inspection. Thus, all efforts to bring in tenants is progressing well, albeit the current pandemic. However, the MCO/EMCO that has delayed the speed of closing of the said deal.</p> <p>All these prospects malls are termed as "bargain hunters" propositions and their focus is volume turnover. Da Men mall and The Summit Subang USJ can be</p>	Answered

**AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
 9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
 - UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
 CONSULTING SDN. BHD. ("KMPG")**

				<p>considered as two (2) different market segment with The Summit Subang USJ mainly focused on high-end market. Nonetheless, the Trust will continue to do what they are currently doing and anticipate the result can be seen in the near future.</p>	
<p>7. Given that Directors are appointed and remunerated directly by the REIT Manager without a direct "say" from Unitholders, how are the interests of the Directors aligned with Unitholders (particularly minority Unitholders) so as to protect their interests?</p>	<p>Chua Song Yun</p>	<p>Governance</p>	<p>The Chairman explained that AmFIRST REIT was established as a trust structure based on the Trust Deed and is highly regulated under the Trust Deed, Securities Commission's ("SC") Listed REIT Guidelines and Bursa Listing Requirement (collectively as "the Guidelines"). Thus, the Trustee is an independent party who acts in the best interest of the Unitholders to ensure a long-term viability of the Trust, actively monitoring the administration of the Manager in accordance to the Guidelines.</p> <p>While the Manager is managing the REIT subject to the parameters on permissible investment, borrowings limit and periodical reporting requirements under the Trust Deed and SC's List REIT Guidelines. It recognises the importance of the strong corporate governance to promote and safeguard the best interest of the Unitholders and other stakeholder.</p> <p>Furthermore, AmREIT Managers Sdn Bhd is a subsidiary of AmBank Group</p>	<p>Answered</p>	

Appendix 1

**AmFIRST REAL ESTATE INVESTMENT TRUST (“AmFIRST REIT”)
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
- UNITHOLDERS’ QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
CONSULTING SDN. BHD. (“KMPG”)**

	<p>8. In terms of total returns to Unitholders, AmFIRST REIT has been underperforming relative to other Malaysian REITs. Over the past 9 years, the Unit price has dropped from above RM 1.00 to only RM 0.40 today, while Distribution Per Unit dropped from around 9 sen to 3 sen per unit. Further to this, some of the acquisitions and asset enhancement initiatives have not been successful.</p> <p>a) Has the Board and Management reflected on these circumstances and can they share their thoughts with the Unitholders?</p> <p>b) What will the Board and Management do differently moving forward?</p>	Chua Song Yun	Strategy	<p>which is under the purview of Bank Negara Malaysia (“BNM”). The Trustee place a strong importance on corporate governance to promote and safeguard the best interest of all the Unitholders.</p> <p>The Chairman then informed the Unitholders to refer to the Statement of Corporate Governance and Statement of Risk Management in the 2021 Annual Report for the Manager’s main corporate governance practises and policies as well as risk management framework in managing the Trust.</p>	Answered
				<p>The CEO informed that, over the past years, the performance of the Trust has been impacted by the challenging commercial office and retail market. Some of the properties within the asset portfolio recorded low occupancy and rental rates which reduced the revenue generation for income distribution, and this, coupled with the escalation of the property expenses and the high interest cost due to high gearing, the net income of the Trust has been on the downward trend.</p> <p>Nonetheless, moving forward in order to improve the income distribution and long-term value creation, the Manager will focus more on tenants’ retention, sector-specific leasing and cost containment to improve the yield of the existing properties. It was noted that</p>	

AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
 9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
 - UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
 CONSULTING SDN. BHD. ("KMPG")

9.	<p>AmFIRST REIT's investment properties carry a total value of RM1.628 billion, while its net property income is only RM65.0 million and has been experiencing a downtrend. This suggests a declining yield of around 4.0%.</p> <p>a) Please explain why these investment properties generate such low returns?</p> <p>b) Peers typically apply a capitalization rate of at least 5% to determine the asset value. Does this suggest that the investment properties reported value may be inflated?</p> <p>c) Could the auditor please explain how this reported value is verified? How confident is the auditor that this figure reflects the realizable value?</p>	Chua Song Yun	Financial	<p>during MCO, at least 60% of the tenants are categorised under essential services.</p> <p>At the same time, the Manager will also look into opportunities for divestment of non-performing assets to reduce gearing and recycle capital into higher yield assets and diversifying into other asset classes to reduce dependency on the office and retail assets.</p>	Answered
				<p>a) The Chairman informed the declining yield of some of the properties were mainly due to the lower occupancy and rental rebate given to tenants in Klang Valley, Cyberjaya and Putrajaya, that have been impacted by pandemic in FY2021. Fortunately, with the support provided by the anchor tenant i.e. AmBank Group, it helps to maintain the yield at a manageable level.</p> <p>The Chairman informed that the asset value is determined based on the valuation by professional independent valuers, using the Income Approach as the primary method and Market Comparison Method as a check and balance to determine the fair value. In these valuation methods, the valuer will take into consideration all pertinent factors and based on the analysis of relevant market data, will derive the</p>	

**AmFIRST REAL ESTATE INVESTMENT TRUST (“AmFIRST REIT”)
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)**

Appendix 1

- UNITHOLDERS’ QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK CONSULTING SDN. BHD. (“KMPG”)

			<p>market value of the investment properties.</p> <p>The range of the term yield and reversion yield rate used in the valuation is disclosed in Note 5 of the Financial Statements. The capitalization rate compared to other REITS is as follows:-</p> <ol style="list-style-type: none"> 1. AmFIRST : 6.00% - 7.00% 2. Tower REIT : 6.00% - 6.50% 3. UOA REIT : 5.00% - 6.25% 4. Sentral REIT : 5.50% - 7.00% <p>The Chairman clarified that the capitalisation rate for the Trust is higher than 5% and not inflating the value of investment properties.</p> <p>b) The external auditors clarified that the audit procedure was conducted in accordance with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standard (“IFRS”). The procedure is disclosed in Key Audit Matters section on pages 167 and 168 of the 2021 Annual Report. The valuation of the investment properties was based on the independent valuers’ methodology and valuation method. The assumption used to derive the valuation has been disclosed in</p>
--	--	--	---

AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
 9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
 - UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
 CONSULTING SDN. BHD. ("KMPG")

<p>10.</p> <p>In the FY2021, the Manager's fee stands at around RM7.0 million, of which a significant portion is from the 0.3% charged on the total asset value. The Manager's fee also amounts to 33% of the realized profit, which is a relatively high portion, when compared to peers.</p> <p>a) Why hasn't the Manager chosen to divest non-performing assets and return the profits earned to Unitholders?</p> <p>b) Holding large assets is obviously benefiting the Manager, however, if these assets are of low yielding, it will be value destructive to Unitholders. Can the Manager please comment?</p>	<p>Chua Song Yun</p>	<p>Others</p>	<p>Note 4.2A and Note 4.5 of the Financial Statements.</p>	<p>Answered</p> <p>The Chairman clarified that under the Trust Deed, the Manager is entitled to receive 0.5% of the Total Asset Value as base fee. However, the Manager has been charging 0.3% of the Total Asset Value as a base fee since inception of AmFIRST REIT. As compared to other Malaysian REITs, the commercial office REITs were charging from 0.4% to 1.0% of the Total Asset Value / Net Asset Value.</p> <p>a) The Chairman informed the Manager is exploring into other assets portfolio and divesting non-performing assets to rationalise the asset portfolio. There were parties who had entered into Non-Disclosure Agreement and paid refundable commitment fees for the acquisition. However, due to the unfavourable market condition, it was aborted.</p> <p>b) The Chairman clarified the valuation is based on capitalisation of 6%. He clarified that the Manager is not a family-owned company, instead the Trust is a subsidiary of AmBank Group. The contribution of the Manager's fee, net of expenses, to the Bank's group profit is very insignificant. Hence, holding onto large assets is of insignificant</p>
---	----------------------	---------------	--	--

**AmFIRST REAL ESTATE INVESTMENT TRUST (“AmFIRST REIT”)
 9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
 - UNITHOLDERS’ QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
 CONSULTING SDN. BHD. (“KMPG”)**

Appendix 1

					benefit to the Manager and there is no reason to do so other than the difficulty to divest such assets as explained earlier.	
11.	What is AmFIRST REIT's future outlook?	Lau Chuan Hooi	Strategy	<p>The Chairman informed, moving forward, the plan is to improve the income distribution and long term value creation, and the Manager will be focusing on tenants' retention and cost sector-specific leasing and cost containment to improve the yield of the existing properties.</p> <p>We are also looking at opportunities to divest non-performing assets to reduce the gearing and recycle capital into higher yield assets and to diversify into other asset classes in order to improve the overall yield of the portfolio.</p>	Answered	
12.	How has the Full Movement Control Order (FMCO) impacted AmFIRST REIT?	Lau Chuan Hooi	Strategy/ Operational	<p>The CEO clarified that the Trust has not been spared by the impacts of the COVID-19 pandemic especially on the retail and hotel portfolio, whilst the office remained steady. Fortunately, as mentioned by the Chairman earlier, the Trust with the support of its anchor tenant i.e. AmBank Group to help to maintain the yield, this has assisted the Manager to provide assistance to the affected tenants in the forms of rental</p>	Answered	

Appendix 1

**AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
CONSULTING SDN. BHD. ("KMPG")**

					rebates and deferment of rental for them to tide over the challenging period.	
13.	How much is the cost saving for this virtual AGM as compared to the physical one?	Lau Chuan Hooi; Teh Peng Tin	Others		The Chairman informed that the total cost for the 2021 fully virtual AGM was approximately RM50,000, which was half of the total cost for a physical AGM.	Answered
14.	Would the hardcopy Annual Report be provided?	Teh Peng Tin	Administrative		The Chairman informed that Unitholders may request for the hardcopy of 2021 Annual Report by submitting the request form available in the e-copy Annual Report to the Trust.	Answered
15.	With reference to the 5 year trend of borrowings and gearing ratio from 2017 to 2021 on page 2 of AmFIRST REIT's Annual Report and what would appear as AmFIRST REIT not having acquired any properties for the past 5 years; why is AmFIRST increasing borrowings every year without much improvement in the net property income?	Loke Yoon Hoe	Operational		<p>The CFO clarified that there were two (2) factors that had affected the gearing although there was no new acquisition in the past few years.</p> <p>The slight increase in the gearing was due to the revaluation of the investment properties where gearing can be calculated by a formula, where total borrowings is divided by the total assets, and if there is a dropped in asset value, the gearing will increase accordingly.</p> <p>He added that the capital expenditure spent by the Trust over the years will also affect the gearing.</p>	Answered
16.	What is the amount of rental rebates given to tenants for the months of May and June 2021?	Loke Yoon Hoe	Operational		The Chairman informed that at the moment the Trust has yet to consider to give rental rebates to tenants due to the implementation of EMCO in the Klang Valley. Nonetheless, provision has	Answered

**AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)**

Appendix 1

- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK CONSULTING SDN. BHD. ("KMPG")

				<p>been made and the Trust will continue to evaluate the situation and actively engage with tenants. The rental rebates will be provided to tenants on case to case basis by taking into consideration whether they are in the essential service or non-essential service.</p>	
17.	What is the impact of the pandemic towards rental renewal by tenants?	Kow Lih Shi	Operational	<p>The CEO clarified that the main strategy of the Trust was to retain its existing tenants. There was some rental revision to this extent, in order to retain and prolong relationship with the tenants.</p>	Answered
18.	How is the cash flow position from operations for the 1st half 2021 and what is the cash flow trend moving forward? Are there any collection issues expected?	David Tai Da Wei	Financial	<p>The CFO explained the Trust is in a positive cash flow position as still able to generate a positive cash flow from the operation and net realised income from income distribution and that it was important, moving forward, to continue generating positive net realised income from operation.</p> <p>He added that so long as the Trust is in the right direction in terms of its net operation surplus, there will be no issue with the cash flow position.</p> <p>In terms of collection, the increase of trade receivable from RM3.5 million to RM13.5 million was due to the slow collections and rental deferment scheme offered to tenants impacted by the COVID-19 pandemic. The Manager will continue monitoring the credit control closely and hope that the trade</p>	Answered

AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK CONSULTING SDN. BHD. ("KMPG")

19.	Will there be a dividend payout for the year 2021, and if so, how much is it expected to be and when will the payout be provided? Will said payout be impacted by the fair value losses?	David Tai Da Wei	Strategy	<p>receivables can be collected when the COVID-19 pandemic is over.</p> <p>The Chairman clarified that the Trust has an income distribution policy to distribute the realised income on a semi-annual basis, where the Manager aimed to distribute at least 90% of the distributable income.</p> <p>He further clarified that the distribution income derives from realised income excluding the fair value losses which were not realised.</p>	Answered
20.	As for resolutions number 1 and 2, what would the prospects, utilisation plans and dilution effects for existing unitholders?	David Tai Da Wei	Financial	<p>The Chairman explained that there was no plan to issue new units either by rights issue or private placement, as the resolutions were merely general mandate for issuance of new units.</p> <p>Nonetheless, the Trust is seeking Unitholders' mandate in advance, in case there is a need to raise funds due to unforeseeable events in the future.</p> <p>The Chairman added such mandate sought from the Unitholders had not been used for the last five years' AGM and currently there was no immediate plan to implementation of the mandate.</p> <p>However, with the COVID-19 pandemic still evolving, the impact of dilution will depend on the issuance share price and utilisation of the proceeds of the equity.</p>	Answered

AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)

Appendix 1

- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK CONSULTING SDN. BHD. ("KMPG")

21.	Would AmFIRST REIT consider proposing a share buy back up to 10% of the profit after tax in 2021 as the share price appears to be lacking in support?	David Tai Da Wei, Thavarajan a// Muthiah Pillai	Financial	The Chairman informed that in order to implement share buyback scheme, the Trust will need to finance it by utilising the borrowings. However, due to high gearing, there was limited headroom to buyback the units.	Answered
22.	A private placement does not appear to be well-timed considering AmFIRST REIT's low share prices and private placements are known to negatively impact share price; would there be consideration to open the placement to non-shareholders who are interested?	David Tai Da Wei	Financial	<p>The Chairman concurred with Mr David Tai that private placement is known to negatively impact share price.</p> <p>He clarified that one of the resolutions to be tabled during today's AGM was to seek Enhanced Rights Issue Mandate from the Unitholders and under such mandate, all Unitholders will be entitled to subscribe the new units and the discount for the units may increase to 30% in the market price.</p> <p>Whereas the maximum discount for private placement is only 10% in the market price. Therefore, private placement will only be considered as a last resort. The new unit of the private placement will be placed out to the identified places by the placement agent and the REIT Managers.</p>	Answered
23.	With the ongoing pandemic, has the Board framed any investment strategy to capitalise on the current situation?	Yap Yik Yong	Strategy	The Chairman informed that the Trust is always looking to explore new opportunities offered in the market. One of the asset classes that the Trust is planning to venture into is logistics asset. However, the Trust will need to raise new capital before we can capitalise on the opportunities.	Answered

**AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
CONSULTING SDN. BHD. ("KMPG")**

Appendix 1

24.	What is the expected NPI yield for The Summit for FY2022?	Chan Choun Sien	Financial	<p>The CFO informed that the current yield for The Summit Subang USJ was about 1% due to rental rebate offered to tenants that were impacted by the COVID-19 pandemic. As such, the NPI yield for FY2022 will depend on how much rebate will be offered to those existing tenants in order to retain them.</p> <p>The Manager is still monitoring the yield by taking into account the impact of the ongoing MCO in order to negotiate the rental rebate offered to the tenants.</p>	Answered
25.	What occupancy can be expected of Prima 9 for financial year 2022 and are there any plans to increase the tenancy occupancy rate at Prima 9?	Chan Choun Sien and Yap Yik Yong	Operational	<p>The CEO explained that the Manager is currently registering a new tenant, REC for additional space in Prima 10 and Prima 9 subsequently. Based on the office space expansion in Prima 9 and Prima 10, the Manager aimed to boost its number of occupancy to before, as at today, the negotiation was still ongoing and the result will be conveyed in the future.</p> <p>Despite the market being challenging with the tenants at Prima 10, Quest Software has expanded its office space to 2,500 square feet at Prima 9, thus the occupancy at Prima 9 has improved to 43.9% from 41.7%.</p>	Answered
26.	Will AmFIRST REIT sustain growth by acquiring undervalued property in the non-commercial segment?	Kow Lih Shi	Strategy	<p>The Chairman clarified that the Trust will continue to look for those undervalued properties. However, due to the limited headroom provided by the</p>	Answered

AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK CONSULTING SDN. BHD. ("KMPG")

Appendix 1

	27. Are there any risks to AmFIRST REIT given that Mydin has terminated its tenancy?	Chan Choun Sien	Operational	gearing level, the Trust will need to look for yield accretive acquisition or raise capital for new acquisition. The CEO confirmed that Mydin HyperMall has never terminated its tenancy as they are committed to make payment on timely basis. He added that Mydin HyperMall was currently seeking for rental rebate and rental deferment. The Chairman also commented that since Mydin HyperMall is categorised as essential service, the business will not be much impacted by the Covid-19 pandemic. Hence, there is no indication that Mydin HyperMall will terminate its tenancy in the near future and furthermore it's on a sale and leaseback for 30 years since 2015.	Answered
	28. Why is the unit price undervalued and not reflective of the net asset value?	Chew Hiap Hong	Financial	The Chairman clarified that besides the asset value and yield, the Trust is aware that the Unitholders are now looking at potential growth in the REIT's income. At the moment, there are various factors affecting movement in unit price amongst others the perception of investors on the negative outlook for office and retail markets apart from the gearing.	Answered
29	Would there be any adverse implications for AmFIRST REIT in relation to tenants with contract renewals that are due in the	Kow Lih Shi	Operational	The Chairman clarified that based on the CEO's presentation, approximately 40% of tenancy was due for renewal in FY2022. Therefore, the strategy of the	Answered

Appendix 1

**AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
CONSULTING SDN. BHD. ("KMPG")**

	<p>near future given the work from home conditions?</p>			<p>Trust is to retain the existing tenants by offering incentive to renew their tenancy because it was difficult to secure new tenants during the COVID-19 pandemic.</p> <p>Despite the new normal, the Trust managed to secure renewals from its existing tenants from six months to one year in advance for offices and the Manager will put their best effort to maintain its overall occupancy rate in FY2022.</p>	
30.	<p>Will AmFIRST REIT convert some of its borrowings to fixed rate to balance interest rate fluctuation risks (e.g. possible rise in OPR in 2023) instead of having 100% borrowings in floating rate?</p>	<p>Loke Yoon Hoe</p>	<p>Financial</p>	<p>The Chairman clarified that some of the borrowings will be switched to fixed rate once the economy has recovered and interest rate increased proportionately.</p> <p>Nonetheless, based on the current economic situation, where interest market is very volatile, the Manager expects the interest rate will still remain low but will continue monitoring the interest rate market closely and will lock-in to fixed rate when the opportunity arises.</p>	<p>Answered</p>
31.	<p>Please highlight which of the 9 assets is/are considered not profitable and what are the underlying reasons for the non-profitability. Also, what are the measures undertaken to improve their performance?</p>	<p>Leo Ann Puat</p>	<p>Operational</p>	<p>The CEO explained that the assets not profitable are The Summit Retail and Prima 9 as the retail tenants are opting for termination and moving out of the buildings. However, there will be new tenants to occupy The Summit Retail, one of which is a retail tenant to occupy the 45,000 square feet supermarket</p>	<p>Answered</p>

**AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
CONSULTING SDN. BHD. ("KMPG")**

Appendix 1

				<p>area and the Manager will endeavor to bring in new tenants and expand current tenants into the two (2) buildings.</p>	
32.	<p>What is the rationale for issuing rights and how much does AmFIRST REIT plan to raise from the rights issue?</p>	Teh Peng Tin	Financial	<p>The Chairman clarified that the Trust is seeking mandate on the rights issue from the Unitholders in case there is an unforeseeable event occur and a new capital would need to be raised.</p> <p>He further clarified that the Enhanced general mandate for rights issue of up to 50% of the total number of issued Units is a temporary relief measure offered by the SC up to 31 December 2021.</p> <p>However, since it is now the second half of the year, the likelihood of the Trust to obtain the rights issue is low.</p>	Answered
33.	<p>Have Directors and Executive considered taking a pay cut in light of the poor performance of AmFIRST REIT?</p>	Loo Yeo Ming	Financial	<p>The Chairman clarified that there is no correlation between the directors' pay cut and performance of the Trust. The fact, the Manager receives fees from AmFIRST REIT and the Directors' pay cut will only improve the performance of the Manager instead of the Trust.</p> <p>However, he added that the Manager will consider a pay cut in order to improve the performance of the Trust for the benefit of the Unitholders.</p>	Answered

**AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
- UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
CONSULTING SDN. BHD. ("KMPG")**

Appendix 1

34.	Please share the basis upon which AmFIRST REIT selected Boardroom as the technology service provider for its AGM.	Loo Yeo Ming	Governance	The Chairman clarified the Manager had selected Boardroom as the technology service provider in Malaysia based on the Trust's past experience during the last AGM. He added that the fee charged by Boardroom in conducting the 2021 Virtual AGM was relatively lower compared to the last virtual AGM.	Answered
35.	Since AmFIRST REIT has been badly affected by the pandemic and earnings have continued to drop, are the Manager and Trustee considering a reduction to fees charged?	Tan Mun Jun	Operational	The Chairman explained, the realised income was not badly affected in FY2021 and the Manager had striven to maintain its position in the future. The Manager managed to secure new tenants for some of the offices and retail places. Furthermore, the Managers' fee is one of the lowest since inception. Nevertheless, it may consider a reduction in the fees charged after having reviewed all other circumstances, particularly if the performance of the REIT worsens.	Answered
36.	What are the revaluation losses expected for the financial year 2022?	Chan Choun Sien	Financial	The CEO informed that at the moment, the Manager is unable to estimate the possible revaluation losses for FY2022, as we are still striving to increase the remaining tenancy from 82% to 90% to minimise any potential revaluation losses.	Answered
37.	Given that AmBank is AmFIRST REITs largest tenant, will they be keeping the same amount of space for the next few years or will they be reducing the space	Chan Choun Sien	Operational	The Chairman informed that AmBank Group will be looking at re-stacking and relocating some of its office space to reduce its tenancy costs. However, the Group is expected to retain the same	Answered

**AmFIRST REAL ESTATE INVESTMENT TRUST (“AmFIRST REIT”)
 9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
 - UNITHOLDERS’ QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
 CONSULTING SDN. BHD. (“KMPG”)**

	required, as what many other banks are doing, due to work from home policies?			amount of office space for the next few years.	
--	---	--	--	--	--

**AmFIRST REAL ESTATE INVESTMENT TRUST ("AmFIRST REIT")
 9TH ANNUAL GENERAL MEETING ON 7 JULY 2021 (FULLY VIRTUAL)
 - UNITHOLDERS' QUESTIONS AND ANSWERS SESSION MODERATED BY KPMG MANAGEMENT & RISK
 CONSULTING SDN. BHD. ("KMPG")**

No.	Question	Originator	Category	Response from the Chairman and/or the Management	Status
38.	Will be the minutes of 9th Fully Virtual Annual General Meeting be posted online?	Lee Kam Weng	Administrative	The softcopy Minutes of the 9 th AGM will be uploaded to the Company's website for the Unitholder's reference.	Unanswered