

AMANAH HARTA TANAH PNB (“AHP”)

PROPOSED CONVERSION OF AHP TO AN UNLISTED REAL ESTATE INVESTMENT TRUST BY WAY OF:

- (I) PROPOSED SELECTIVE UNIT REDEMPTION EXERCISE; AND
 - (II) PROPOSED AMENDMENTS TO THE FIRST RESTATED DEED OF AHP DATED 13 AUGUST 2015
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1. INTRODUCTION

The manager of AHP, Pelaburan Hartanah Nasional Berhad (Registration No. 198801008611 (175967-W)) (“**PHNB**” or “**Manager**”) had on 18 September 2020, announced that it had on the even date received a proposal letter from Ombak Real Estate Sdn Bhd (Registration No. 202001008886 (1365206-P)) (“**ORE**”), a wholly-owned subsidiary company of Permodalan Nasional Berhad (Registration No. 197801001190 (38218-X)) (“**PNB**”) and a unit holder of AHP (“**SUR Proposal Letter**”), requesting PHNB to convert AHP to an unlisted real estate investment trust (“**Unlisted REIT**”), which will involve PHNB undertaking the following corporate exercises:

- (i) the proposed selective unit redemption exercise by AHP of all units in AHP (“**AHP Units**” or “**Units**”) that are held by the unit holders of AHP (save and except for the AHP Units held by ORE, PNB and Amanah Saham Bumiputera (“**ASB**”)) for RM1.00 per AHP Unit (“**SUR Offer Price**”) (“**Proposed SUR**”); and
- (ii) the proposed amendments to the relevant clauses in the First Restated Deed dated 13 August 2015 and supplemented by the First Supplemental Deed dated 28 November 2019 (“**Deed**”) entered into between the Manager, AmanahRaya Trustees Berhad (Registration No. 200701008892 (766894-T)), being the trustee of AHP (“**Trustee**”) and the several persons therein mentioned, constituting AHP to allow for the following:
 - (a) the implementation of the Proposed SUR (as defined below) (“**Proposed Amendments for SUR**”); and
 - (b) the conversion of AHP to an Unlisted REIT (“**Proposed Amendments for Unlisted REIT**”),

(the Proposed Amendments for SUR and Proposed Amendments for Unlisted REIT are collectively referred to as the “**Proposed Amendments**”)

(the Proposed Amendments and Proposed SUR are collectively referred to as the “**Proposals**”).

On behalf of the Board of Directors of the Manager (“**Board**”), MIDF Amanah Investment Bank Berhad (“**MIDF Investment**”) wishes to announce that the Board (save for the Interested Directors (as defined herein) and Encik Hafidz Atrash Kosai bin Mohd Zihim, as set out in Section 6 of this announcement), had on 12 October 2020 deliberated on the SUR Proposal Letter and had with the concurrence of the Trustee, resolved to table the Proposals to the non-interested unit holders of AHP for their consideration.

Further details on the Proposals are set out in the ensuing sections of this announcement.

2. DETAILS OF THE PROPOSALS

2.1 Proposed SUR

The Proposed SUR entails the redemption of all AHP Units held by AHP's unit holders, save and except for the AHP Units held by ORE, PNB and the persons acting in concert with ORE and PNB in accordance with Section 216(2) and 216(3) of the Capital Markets and Services Act 2007 ("CMSA") ("PAC"), namely ASB, which involves a redemption payment at the SUR Offer Price being made to all unit holders of AHP (excluding ORE, PNB and ASB) ("**Entitled Unit Holders**") whose names appear in the Record of Depositors of AHP on an entitlement date to be determined later by the Board ("**Entitlement Date**").

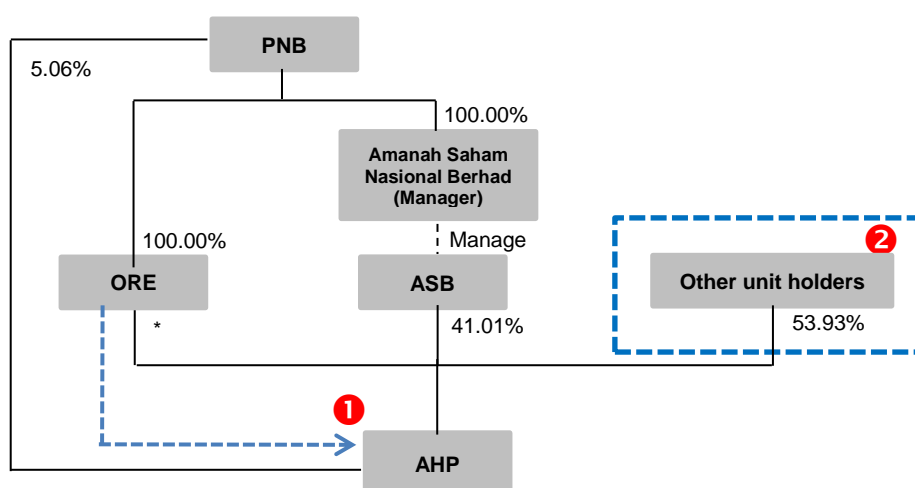
The redemption is conditional upon the fulfilment of the conditions precedent set out in Section 5.1 of this announcement. If the Proposals are approved by the non-interested unit holders at a unit holders' meeting of AHP ("**Unit Holders' Meeting**") to be convened and upon the payment of the SUR Offer Price, the Units that are redeemed shall be debited/removed from the Entitled Unit Holders' CDS Account and will be cancelled pursuant to the Proposed SUR.

As at 30 September 2020, being the latest practicable date prior to this announcement ("**LPD**"), a total of 220,000,000 AHP Units are in circulation and are held by the unit holders of AHP of which 118,641,600 AHP Units are held by the Entitled Unit Holders, representing approximately 53.93% interest in AHP.

If the Proposals are approved by the non-interested unit holders of AHP at the Unit Holders' Meeting to be convened, all 118,641,600 AHP Units held by the Entitled Unit Holders will be redeemed by AHP at the SUR Offer Price and cancelled subsequently. The SUR Cash Amount shall be funded by way of advances to AHP by ORE.

Upon completion of the Proposed SUR including the transfer of all the AHP Units held by PNB to ORE, the remaining 101,358,400 AHP Units will be held by ASB and ORE which will represent the entire equity interest in AHP. ORE does not intend to maintain the listing status of AHP on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**") upon completion of the Proposals. Pursuant thereto, ORE will request the Manager to make an application to Bursa Securities to withdraw the listing status of AHP from the Official List of Bursa Securities within 3 months after the completion of the Proposals.

The Proposed SUR is depicted in the diagram below:



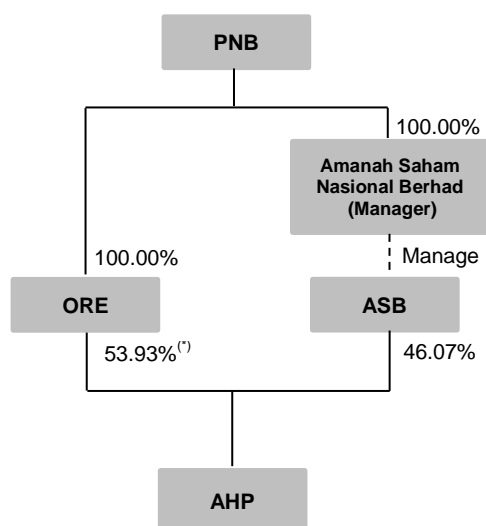
Notes:

* Less than 0.01%

1. ORE has submitted the SUR Proposal Letter to AHP vide the Manager and the Trustee on 18 September 2020.

2. Assuming the Proposals are approved by the non-interested unit holders of AHP, AHP will redeem and cancel approximately 53.93% interest in AHP.

Immediately upon the redemption and cancellation of all the AHP Units held by the Entitled Unit Holders, PNB will transfer all the AHP Units held by PNB to ORE. In addition, AHP will capitalise the advances by ORE to AHP which was used to fund the Proposed SUR by issuing new AHP Units to ORE. Upon the completion of this process, the unit holding structure of AHP shall be as below:



Note:

- * After taking into account the transfer of all AHP Units held by PNB to ORE and the capitalisation of the advances by ORE to AHP which was used to fund the Proposed SUR into new AHP Units.

2.1.1 Salient terms of the Proposed SUR

The salient terms of the Proposed SUR as set out in the SUR Proposal Letter are as follows:

- (a) If AHP declares, makes and/or pays a dividend/income distribution or other distribution of any nature whatsoever (“**Distribution**”) after the date of the SUR Proposal Letter up to the completion of the Proposals, the SUR Offer Price shall be reduced by an amount equivalent to the Distribution made per AHP Unit;
- (b) From the date of the SUR Proposal Letter until the completion of the Proposals, the Manager and/or the Trustee shall undertake that they will not, without ORE’s prior written consent:
 - (i) undertake any form of capital raising exercise, whether in the form of debt or equity (save for the advances to AHP by ORE for the purpose of the Proposed SUR) and will not grant any options over the AHP Units or issue any new AHP Units;
 - (ii) cause AHP to enter into any material commitment or material contract or undertake any obligation or acquire or dispose of any of its assets or create a security interest over any of its assets outside the ordinary course of business;
 - (iii) pass any resolution in a meeting (other than in respect of any ordinary business tabled in annual general meeting or pursuant to the Proposals) or make any alteration to the provisions of the Deed;

- (iv) do or cause, or allow to be done or omitted, any act or thing which would result (or be likely to result) in a breach of any lawful obligation of AHP;
 - (v) dilute the interest, holdings or economic interest of AHP in which AHP holds shares; or
 - (vi) enter into any discussion, negotiation or agreement, with any other party with respect to the sale of the assets and liabilities of AHP (save for in the ordinary course of business).
- (c) In addition, the Manager and/or Trustee shall not enter into any discussion, negotiation or agreement, with any other party with respect to any privatisation proposal involving AHP or any of the matters specified under paragraph 2.1.1(b) above at any time until completion of the Proposals; and
- (d) The Manager and/or Trustee shall also agree with and undertake to ORE that, as from the date of acceptance of the Proposals (in accordance with the terms of the SUR Proposal Letter) until the completion of the Proposals, the Manager and/or Trustee (and the Manager and/or Trustee shall use reasonable endeavours to cause and procure that AHP) shall carry on the business of AHP only in the usual, regular and ordinary course in substantially the same manner as it is carried on as of the date of the SUR Proposal Letter so as to preserve AHP's relationship with all parties in ensuring that AHP's goodwill and going concern shall not be materially impaired at the completion of the Proposals, save as otherwise agreed in writing by ORE.

2.1.2 Listing status of AHP

It is the intention of ORE not to maintain the listing status of AHP on the Main Market of Bursa Securities and accordingly, following the completion of the Proposals, ORE will request the Manager to make an application to Bursa Securities pursuant to Paragraph 16.08 of the Main Market Listing Requirements of Bursa Securities ("**MMLR**") to withdraw the listing status of AHP from the Official List within 3 months after the completion of the Proposals.

2.1.3 Basis and justification of the SUR Offer Price

Entitled Unit Holders whose names appear in the Record of Depositors on the Entitlement Date shall collectively receive from AHP, a total cash payment of RM118,641,600 which represents the cash amount of RM1.00 per Unit ("**SUR Cash Amount**"). The final total cash payment for the SUR Offer Price is subject to the total number of Units held by the Entitled Unit Holders on the Entitlement Date.

The SUR Offer Price was determined after taking into account the following:

- (i) The offer for sale price of RM1.00 per AHP Unit pursuant to the initial public offering of AHP Units on 21 September 1990;
- (ii) The historical AHP Unit price performance; and
- (iii) AHP's audited and unaudited net asset value ("**NAV**") of RM282.13 million or RM1.2824 per AHP Unit and RM280.30 million or RM1.2741 per AHP Unit as at the financial year ended ("**FYE**") 2019 and the financial period ended ("**FPE**") 30 June 2020 respectively, which implies a price-to-book ratio of 0.78 times and 0.79 times respectively.

The SUR Offer Price represents a premium based on the following historical market prices of AHP Unit:

	Market price/ VWAP	SUR Offer Price	Premium/ (Discount)	
	RM	RM	RM	(%)
Closing price as at 17 September 2020, being the last trading day prior to the receipt of the SUR Proposal Letter by the Board (“LTD”)	0.67	1.00	0.33	49.25
5-day VWAP up to the LTD	0.67	1.00	0.33	49.25
1-month VWAP up to the LTD	0.67	1.00	0.33	49.25
3-month VWAP up to the LTD	0.69	1.00	0.31	44.93
6-month VWAP up to the LTD	0.69	1.00	0.31	44.93
1-year VWAP up to the LTD	0.72	1.00	0.28	38.89

(Source: Bloomberg Finance L.P.)

The SUR Offer Price represents a premium ranging from 38.89% to 49.25% based on the closing market prices of AHP Units on the LTD, the 5-day, 1-month, 3-month, 6-month and 1-year VWAP of the AHP Units up to and including the LTD.

2.1.4 Source of Funds

The payment of the SUR Cash Amount shall be funded by way of advances to AHP by ORE, subject to compliance with the relevant laws and regulations.

In addition, ORE had confirmed it has sufficient financial resources and that the Proposals will not fail by reason of insufficient financial capability.

MIDF Investment is satisfied that the Proposed SUR would not fail due to insufficient financial capability of ORE and that every Entitled Unit Holder will be paid the SUR Offer Price in full.

2.2 Proposed Amendments

AHP was established as a real estate investment trust and constituted by the Deed and regulated under the CMSA and the Securities Commission Malaysia (“SC”)’s Guidelines on Listed Real Estate Investment Trusts (“Listed REIT Guidelines”).

AHP is a unit trust scheme that invests in real estates and other authorised investments with the objective of providing reasonable level of income return to its Unit Holders and allowing them to gain from capital growth through the acquisition of a selected portfolio of real estate investments which have potential for long term capital growth.

The Proposed Amendments for SUR will enable AHP to implement the Proposed SUR and subsequently, to undertake the de-listing procedures under Chapter 16.07(b) of the MMLR.

The Proposed Amendments for Unlisted REIT is to facilitate the conversion of AHP into an Unlisted REIT, which primarily entail the removal of all clauses applicable to listed real estate investment trusts.

Details on the Proposed Amendments will be set out in the circular to be issued to AHP’s unit holders at a later date.

Upon the redemption of the Units, each redeemed Unit shall be cancelled, and each Unit Holder whose Units are redeemed shall cease to have any further right or obligation under the Deed. The Manager shall take all steps as may be necessary to procure the withdrawal of the listing status of AHP from the Official List of Bursa Securities.

Upon the completion of the Proposals, AHP will be converted to an Unlisted REIT with ORE and ASB being its Unit Holders. As an Unlisted REIT, AHP will be regulated by the CMSA and SC's Guidelines on Real Estate Investment Trusts.

3. RATIONALE FOR THE PROPOSALS

3.1 Proposed SUR

AHP is a real estate investment trust and constituted by the Deed. AHP Units were offered for sale at RM1.00 per Unit pursuant to the initial public offering of AHP Units on 21 September 1990 followed by the listing of AHP on 28 December 1990.

Since its listing, AHP has been distributing its distributable earnings to its Unit Holders. As such, the NAV of AHP had only increased by approximately RM0.10 per AHP Unit since its listing date i.e. from RM1.1660 per AHP Unit to RM1.2741 per AHP Unit as at 30 June 2020.

The ability of AHP to grow its assets vis-à-vis sustainability of its yield moving forward appears limited after taking into consideration the existing state and outlook of the Malaysian property market. According to the Malaysian Property Market Report for the First Half of 2020 prepared by the Valuation and Property Services Department, the occupancy performance of both purpose-built office and the retail sub sector remained soft in the first half of 2020. In view of AHP's exposure to both sectors, the Board acknowledges the challenges facing AHP to maintain its income distribution yield moving forward.

Further, based on the analysis of the comparable real estate investment trusts with assets portfolio comprising office and commercial properties, AHP has the smallest market capitalisation and assets size of approximately RM168.3 million and RM457.5 million respectively as at 31 December 2019. Given the relatively small market capitalisation of AHP and the present economic and capital market condition, any proposals to expand and restructure the assets of AHP through capital fund raising would be challenging.

Hence, the Proposals are intended to facilitate the restructuring and rebalancing of AHP's property portfolio which may involve, amongst others, removing from or injecting certain assets into AHP. In view of AHP's current listing status, AHP is subject to comply with the requisite regulatory framework. Any proposals triggering applicable percentage threshold, will require the appointment of advisers and professionals as well as the convening of extraordinary general meetings, which are lengthy and costly. Hence, the Proposed SUR will provide greater flexibility in executing and managing any form of restructuring or corporate exercises.

Further, AHP Units have been thinly traded, recording an average daily trading volume of 42,845 AHP Units for the past 1 year up to the LPD, which represents approximately 0.04% of AHP's total free float. This is relatively low when compared to the average liquidity of shares/units of companies in the property sector traded on Bursa Securities and comparable listed real estate investment trusts with assets portfolio comprising office and commercial properties.

Additionally, the Unit price of AHP has also been trending downwards over the past few years. The most recent date in which AHP Units traded above the SUR Offer Price is in December 2016.



(Source: Bursa Securities)

In view of the above, the SUR Offer Price provides an opportunity for the Entitled Unit Holders to realise their investments in AHP in an efficient and expeditious manner at a premium to the prevailing market prices of the AHP Units, with the SUR Offer Price representing a premium ranging from 38.89% to 49.25% over the closing market prices of the AHP Units as tabulated in Section 2.1.3 of this announcement.

3.2 Proposed Amendments

The Proposed Amendments are undertaken to facilitate the implementation of the Proposed SUR and the conversion of AHP to an Unlisted REIT upon completion of the Proposed SUR.

4. EFFECTS OF THE PROPOSALS

The Proposed Amendments will not have any effect on the unit holders' capital of AHP, the NAV, NAV per Unit, gearing, earnings, earnings per Unit ("EPU") and substantial unit holders' holdings in AHP.

The effects of the Proposed SUR are set out in the ensuing sections:

4.1 Unit holders' capital

The pro forma effects of the Proposed SUR on the Unit holders' capital of AHP are as follows:

	No. of Units	RM
Unit holders' capital as at the LPD	220,000,000	219,120,869
<u>Adjustment: Proposed SUR</u>		
Less: AHP Units to be cancelled pursuant to the Proposed SUR ⁽¹⁾	(118,641,600)	(118,167,502)
Add: Capitalisation of advances from ORE ⁽²⁾	94,459,872	118,641,600
The resultant Unit holders' capital of AHP after the Proposed SUR	195,818,272	219,594,967

Notes:

- (1) Based on 118,641,600 AHP Units held by the Entitled Unit Holders as at the LPD. The Unit holders' capital of AHP will be reduced upon cancellation of 118,641,600 AHP Units at RM0.9960 per Unit calculated from RM219,120,869 divided by the number of Units in circulation as at the LPD; and

- (2) After taking into account the capitalisation of the advances by ORE to AHP which was used to fund the Proposed SUR into new AHP Units. The number of new AHP Units to be issued for the capitalisation of advances from ORE will be dependent on the NAV of AHP at the point of capitalisation. For illustration purpose, the new AHP Units are issued at the indicative issue price of RM1.2560 per AHP Unit ("**Indicative Issue Price**"). The Indicative Issue Price was derived based on the NAV of AHP as at 30 June 2020 which was revalued based on the updated valuation of the properties held by AHP as at 28 September 2020.

4.2 NAV, NAV per Unit and gearing

Based on the latest audited statement of financial position of AHP as at 31 December 2019, the pro forma effects of the Proposed SUR on the NAV per Unit and gearing of AHP are as follows:

	Audited as at 31 December 2019	After Proposed SUR
	RM'000	RM'000
Unit holders' capital	219,121	⁽¹⁾ 219,595
Retained earnings	63,011	⁽²⁾ 61,372
Total Unit holders' funds	282,132	280,967
No. of Units in circulation ('000)	220,000	⁽¹⁾ 195,818
NAV per Unit (RM)	1.2824	1.4348
Total assets (RM'000)	457,540	456,376
Financing (RM'000)	163,288	⁽³⁾ 163,288
Gearing ratio ⁽⁴⁾ (%)	35.69	35.78

Notes:

- (1) Assuming 118,641,600 AHP Units are redeemed by AHP pursuant to the Proposed SUR and the capitalisation of the advances by ORE to AHP which was used to fund the Proposed SUR into new AHP Units at the Indicative Issue Price of RM1.2560 per AHP Unit.
- (2) After taking into consideration the estimated expenses (comprising professional fees, regulatory fees and administrative expenses) of RM1.16 million in relation to the Proposals.
- (3) After capitalisation of the advances by ORE to AHP to fund the Proposed SUR of RM118.64 million. The gearing ratio of AHP after redemption and cancellation of the Units pursuant to the Proposed SUR and prior to capitalisation of the advances by ORE to AHP is 61.62%.
- (4) Gearing is represented as a percentage of total financing over total assets.

4.3 Earnings and EPU

The Proposed SUR is expected to be completed in the first quarter of 2021. As such, the Proposed SUR is not expected to have a material effect on the earnings of AHP for the FYE 2020 and FYE 2021, other than the estimated expenses for the Proposed SUR of RM1.16 million.

Immediately upon redemption and cancellation of the AHP Units, the EPU of AHP will increase due to the decrease in the number of AHP Units. However, upon the capitalisation of the entire advances amounting to RM118,641,600 from ORE to AHP, the pro forma EPU of AHP will be diluted back to the position prior to the redemption and cancellation of the AHP Units.

Assuming the Proposed SUR was completed on 1 January 2019, being the beginning of the FYE 31 December 2019, the pro forma effects of the Proposed SUR on the earnings and EPU of AHP are as follows:

	Audited as at 31 December 2019	After Proposed SUR
	RM'000	RM'000
Net income after taxation (RM'000)	12,793	⁽¹⁾ 11,628
No. of Units in circulation ('000)	220,000	⁽²⁾ 195,818
EPU (sen)	5.81	5.94

Notes:

- (1) *After taking into consideration the estimated expenses (comprising professional fees, regulatory fees and administrative expenses) of RM1.16 million in relation to the Proposals.*
- (2) *Assuming 118,641,600 AHP Units are redeemed by AHP pursuant to the Proposed SUR and the capitalisation of the advances by ORE to AHP which was used to fund the Proposed SUR into new AHP Units at the Indicative Issue Price of RM1.2560 per AHP Unit.*

4.4 Convertible Securities

As at the LPD, AHP does not have any outstanding warrants, options or convertible securities.

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4.5 Substantial unit holders' unit holdings

The pro forma effects of the Proposed SUR on the unit holding structure of the substantial unit holders of AHP are as follows:

Substantial unit holders	As at the LPD				(I) After Proposed SUR			
	Direct		Indirect		Direct		Indirect	
	No. of Units	%	No. of Units	%	No. of Units	%	No. of Units	%
ASB	90,218,700	41.01	-	-	90,218,700	46.07	-	-
Mydin Mohamed Holdings Bhd	50,906,800	23.14	-	-	-	-	-	-
PNB	11,139,600	5.06	⁽¹⁾ 100	0.00	-	-	⁽¹⁾ 105,599,572	53.93
ORE	100	0.00	-	-	⁽³⁾ 105,599,572	53.93	-	-
Yayasan Pelaburan Bumiputra	-	-	⁽²⁾ 11,139,600	5.06	-	-	⁽²⁾ 105,599,572	53.93

Notes:

- (1) Deemed interest pursuant to Section 8 of the Companies Act, 2016 (“Act”) by virtue of ORE being a wholly-owned subsidiary of PNB.
- (2) Deemed interest pursuant to Section 8 of the Act by virtue of its shareholding in PNB.
- (3) After taking into account the transfer of all AHP Units held by PNB to ORE and the capitalisation of the advances by ORE to AHP which was used to fund the Proposed SUR into new AHP Units at the Indicative Issue Price of RM1.2560 per AHP Unit.

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5. APPROVALS REQUIRED

5.1 Conditions precedent

The completion of the Proposals shall be subject to the fulfilment of all requisite conditions precedent including, but not limited to the following:

- (a) the approval of the unit holders of AHP in relation to the Proposals at the Unit Holders' Meeting to be convened;
- (b) the approval of the SC, for the registration of the amended Deed pursuant to the Proposed Amendments for SUR upon the approval of the non-interested unit holders and the amended Deed pursuant to the Proposed Amendments for Unlisted REIT upon the completion of the Proposed SUR;
- (c) the approval of the SC, for the application for exemption under Paragraph 1.06 of the Listed REIT Guidelines from having to comply with certain provisions of the Listed REIT Guidelines pursuant to the Proposed SUR;
- (d) the approval of the SC, for the application under Paragraph 1.11 of the Rules on Take-Overs, Mergers and Compulsory Acquisitions ("**Rules**") to extend the time for compliance with certain provisions of the Rules (if necessary);
- (e) the approval of Bursa Securities, for the withdrawal of the listing status of AHP from the Official List of Bursa Securities after the completion of the Proposed SUR;
- (f) the approval or consent of the financiers/creditors of AHP (if necessary); and
- (g) the approval of any other third parties in relation to the Proposals (if necessary).

The Proposed Amendments will become effective upon registration of the amended Deed with the SC. The payment of the SUR Cash Amount to the Entitled Unit Holders will be made as soon as possible after fulfilment of the abovementioned conditions precedent and the registration of the amended Deed pursuant to the Proposed Amendments for SUR with the SC.

The Proposed SUR and the Proposed Amendments are inter-conditional upon each other. The Proposals are not inter-conditional and/or conditional upon any other corporate exercise/scheme previously announced by AHP.

5.2 Unit holders' approval

The special resolutions for the Proposals will be tabled at the Unit Holders' Meeting to be convened must be approved by at least a majority in number of the non-interested unit holders and 75% in value to the votes attached to the AHP Units held by the non-interested unit holders that are cast either in person or by proxy at the Unit Holders' Meeting to be convened; and must not be voted against by more than 10% of the votes attaching to all AHP Units held by the non-interested unit holders.

ORE, PNB, ASB and persons connected to them will abstain from voting on the special resolutions pertaining to the Proposals.

As at the LPD, in the best of knowledge of the Manager:

- (i) ORE has not received any irrevocable undertaking from any non-interested unit holder to vote in favour of the Proposals at the Unit Holders' Meeting to be convened;

- (ii) there is no existing or proposed agreement, arrangement or understanding in relation to AHP Units between ORE, PNB, ASB and any of the Entitled Unit Holders; and
- (iii) there is no existing or proposed option given by the Entitled Unit Holders to ORE, PNB and/or ASB to acquire AHP Units.

6. INTERESTS OF DIRECTORS, MAJOR UNIT HOLDERS AND PERSONS CONNECTED TO THEM

Save as disclosed below, there are no other directors of the Manager, major unit holders of AHP and/or persons connected to them who are interested in the Proposals.

Interested Directors of the Manager

- (i) Encik Ahmad Zulqarnain bin Che On (“**Encik Ahmad Zulqarnain**”), is the President and Group Chief Executive of PNB and a Non-Independent Non-Executive Director of the Manager;
- (ii) Dato’ Johan bin Ariffin (“**Dato’ Johan**”), is a Director of PNB and an Independent Non-Executive Chairman of the Manager;
- (iii) Encik Rizal Rickman bin Ramli (“**Encik Rizal Rickman**”), is the Chief Investment Officer – Real Estate of PNB and a Non-Independent Non-Executive Director of the Manager; and
- (iv) Datuk Mohd Anwar bin Yahya (“**Datuk Mohd Anwar**”), is an Independent Non-Executive Director of Amanah Saham National Berhad (“**ASNB**”) and an Independent Non-Executive Director of the Manager.

Accordingly, Encik Ahmad Zulqarnain, Dato’ Johan, Encik Rizal Rickman and Datuk Mohd Anwar (collectively referred to as the “**Interested Directors**”) will abstain from all deliberations and voting on the resolutions pertaining to the Proposals at the relevant meetings of the Board.

Encik Hafidz Atrash Kosai bin Mohd Zihim, who is the Chief Executive Officer and Non-Independent Executive Director of the Manager has voluntarily opted to abstain from all deliberations and voting on the resolutions pertaining to the Proposals at the relevant meetings of the Board.

None of the Interested Directors own any AHP Units. Nevertheless, the Interested Directors will ensure that all persons connected to them will abstain from voting in respect of their direct and/or indirect Unit holding in AHP (if any) on the resolutions pertaining to the Proposals at the Unit Holders’ Meeting to be convened.

Major Unit Holders

As at the LPD, ORE and ASNB are wholly-owned subsidiaries of PNB. ASNB is the manager of ASB, a major unit holder of AHP. ORE, PNB and ASB collectively hold 101,358,400 AHP Units, representing approximately 46.07% interest in AHP Units. In this regard, ORE, PNB and ASB are interested unit holders pursuant to the Proposals. ORE, PNB and ASB will abstain from voting in respect of their respective direct and/or indirect Unit holdings in AHP, on the resolutions pertaining to the Proposals at the Unit Holders' Meeting to be convened. In addition, ORE, PNB and ASB will ensure that all persons connected to them will abstain from voting in respect of their direct and/or indirect Unit holdings in AHP (if any) on the resolutions pertaining to the Proposals at the Unit Holders' Meeting to be convened.

7. PRINCIPAL ADVISER AND INDEPENDENT ADVISER

MIDF Investment has been appointed by the Board as the Principal Adviser for the Proposals.

In accordance with Paragraph 3.06 of the Rules, the Board, save for the Interested Directors, had on the date of this announcement appointed Affin Hwang Investment Bank Berhad as the Independent Adviser to provide comments, opinions, information and recommendation to the non-interested Directors of the Manager and non-interested Unit Holders of AHP in respect of the Proposals.

8. BOARD'S STATEMENT

The Board, save for the Interested Directors and Encik Hafidz Atrash Kosai bin Mohd Zihim, had on 12 October 2020, deliberated on the SUR Proposal Letter and had, with the concurrence of the Trustee, resolved to table the Proposals to the non-interested unit holders for their consideration at the Unit Holders' Meeting to be convened.

9. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to the conditions set out in Section 5.1 of this announcement being fulfilled, the Board expects the Proposals to be completed by the first quarter of 2021.

10. DOCUMENT FOR INSPECTION

The SUR Proposal Letter dated 18 September 2020 is available for inspection at the principal place of business of PHNB at 20th Floor, Menara PNB, 201-A, Jalan Tun Razak, 50400 Kuala Lumpur, during normal business hours from Mondays to Fridays (except for public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 12 October 2020.