

**STARHILL REAL ESTATE INVESTMENT TRUST**

(Established in Malaysia under the Deed dated 18 November 2005 entered into between Pintar Projek Sdn Bhd (314009-W) and Maybank Trustees Berhad (5004-P))

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the First Annual General Meeting of Starhill Real Estate Investment Trust ("Starhill REIT" or the "Trust") will be held at Starhill 2, Level 4, JW Marriott Hotel Kuala Lumpur, 183 Jalan Bukit Bintang, 55100 Kuala Lumpur on Wednesday, the 25th day of September, 2013 at 4.00 p.m. to transact the following business:-

**AS ORDINARY BUSINESS**

1. To lay before the meeting the Audited Financial Statements for the financial year ended 30 June 2013 together with the Reports attached thereon.

*Please refer Explanatory Note A*

**AS SPECIAL BUSINESS**

To consider and, if thought fit, pass the following resolutions:-

2. **PROPOSED AMENDMENTS TO THE RELEVANT CLAUSES IN THE DEED DATED 18 NOVEMBER 2005 ENTERED INTO BETWEEN PINTAR PROJEK SDN BHD ("MANAGEMENT COMPANY") AND MAYBANK TRUSTEES BERHAD ("TRUSTEE") CONSTITUTING THE TRUST ("PRINCIPAL DEED") TO ALLOW THE MANAGEMENT COMPANY TO BE PAID ITS BASE FEE, PERFORMANCE FEE, ACQUISITION FEE AND DIVESTMENT FEE ("MANAGEMENT FEES") IN THE FORM OF NEW UNITS IN THE TRUST, CASH OR A COMBINATION THEREOF ("PROPOSED AMENDMENTS TO MANAGEMENT FEE CLAUSES")** **TWO-THIRD RESOLUTION 1**

"THAT subject to the approvals being obtained from all relevant authorities and/or parties, the Proposed Amendments to Management Fee Clauses as set out in Appendix 1 of this Notice and to be reflected in the Restated Deed (as defined in the Two-Third Resolution 2 below) with effect from the date of registration of such deed with the Securities Commission Malaysia ("SC") be and is hereby approved;

THAT authority be and is hereby given to the Board of Directors of the Management Company ("Board") and the Trustee, acting for and on behalf of the Trust, to give effect to the Proposed Amendments to Management Fee Clauses with full power to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interests of the Trust and/or as may be imposed by the relevant authorities;

AND THAT the Board and the Trustee, acting for and on behalf of the Trust, are hereby authorised to do all such acts, deeds and/or things, including executing such documents as may be required, in order to implement, finalise and complete the Proposed Amendments to Management Fee Clauses."

3. **PROPOSED AMENDMENTS TO THE RELEVANT CLAUSES IN THE PRINCIPAL DEED ("PROPOSED AMENDMENTS TO OTHER CLAUSES")** **TWO-THIRD RESOLUTION 2**

"THAT subject to the approvals being obtained from all relevant authorities and/or parties, the Proposed Amendments to Other Clauses as set out in Appendix 2 of this Notice and to be reflected in the restatement of the Principal Deed in its entirety as the new deed governing the Trust ("Restated Deed") with effect from the date of registration of the Restated Deed with the SC be and is hereby approved;

THAT authority be and is hereby given to the Board and the Trustee, acting for and on behalf of the Trust, to give effect to the Proposed Amendments to Other Clauses with full power to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interests of the Trust and/or as may be imposed by the relevant authorities;

AND THAT the Board and the Trustee, acting for and on behalf of the Trust, are hereby authorised to do all such acts, deeds and/or things, including executing such documents as may be required, in order to implement, finalise and complete the Proposed Amendments to Other Clauses."

4. **PROPOSED RATIFICATION OF THE MANAGEMENT COMPANY'S ACTIONS IN THE PROVISION OF FUND REPORTS ("PROPOSED UNITHOLDERS' RATIFICATION")** **ORDINARY RESOLUTION 1**

"THAT subject to the Proposed Amendments to Other Clauses in the Two-Third Resolution 2 above being approved by the unitholders of the Trust ("Unitholders") and, in particular, having regard to the amendments effected to Clause 11.3(a) of the Principal Deed to align the requirements thereof with regard to the preparation and provision of fund reports to Unitholders concerning the affairs of the Trust with the Guidelines on Real Estate Investment Trusts issued by the SC ("REIT Guidelines"), the Management Company's past actions of providing a lesser number of fund reports than as required under the Principal Deed, be and is hereby ratified."

5. To transact any other business of which due notice shall have been received in accordance with the Principal Deed.

By Order of the Board  
of Pintar Projek Sdn Bhd

Ho Say Keng  
Company Secretary

Kuala Lumpur  
28 August 2013

**Notes:-**

- (1) A unitholder entitled to attend and vote at the meeting may appoint a proxy to vote in his stead. A proxy may, but need not, be a unitholder of Starhill REIT. A unitholder other than an authorised nominee shall not be entitled to appoint more than one proxy to attend and vote at the same meeting and where such unitholder appoints more than one proxy to attend and vote at the same meeting, such appointment shall be invalid.
- (2) This form of proxy and the Power of Attorney or other authority (if any) under which it is signed or notarially certified copy thereof must be lodged at the business office of Maybank Trustees Berhad at 8th Floor, Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur, not less than 48 hours before the time appointed for the meeting or any adjournment thereof.
- (3) In the case of a corporation, this form of proxy should be executed under its common seal or under the hand of some officer of the corporation duly authorised in writing on its behalf.
- (4) Unless voting instructions are indicated in the spaces provided in the form of proxy, the proxy may vote as he thinks fit.
- (5) For the purpose of determining the unitholders who shall be entitled to attend the meeting, the Management Company shall request Bursa Malaysia Depository Sdn Bhd, in accordance with Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 18 September 2013. Only a depositor whose name appears on the General Meeting Record of Depositors as at 18 September 2013 shall be entitled to attend the said meeting or appoint proxy to attend and/or vote in his stead.

**Explanatory Note A**

There shall be no voting on the aforesaid Ordinary Business given that the laying of the Audited Financial Statements for the financial year ended 30 June 2013 of Starhill REIT together with the Reports attached thereon before the Unitholders at the Annual General Meeting is meant for discussion only in accordance with Clause 15.33A of the REIT Guidelines.

**Explanatory Notes on the resolutions under Special Business**

- (1) **Two-third resolution**

Pursuant to Section 295(4)(a) of the Capital Markets and Services Act, 2007, the supplementary deed submitted for registration shall be accompanied by a resolution of not less than two-thirds of all Unitholders at a Unitholders' meeting duly convened and held according to the provisions and covenants of the deed sanctioning the proposed modification to the deed.

- (2) **Two-Third Resolution 1 – Proposed Amendments to Management Fee Clauses**

The Proposed Amendments to Management Fee Clauses aims to provide flexibility in the payment of the Management Fees to the Management Company either in the form of new units, cash or a combination thereof, as well as to further strengthen the alignment of the Management Company's interests with the Trust's interests.

Save as disclosed below, none of the other directors and major shareholders of the Management Company or major Unitholders of the Trust and persons connected to them have any interest, direct or indirect, in the Proposed Amendments to Management Fee Clauses:-

- (i) YTL Corporation Berhad ("YTL Corp") is a major unitholder of Starhill REIT and also a major shareholder of the Management Company by virtue of its 70% shareholdings in YTL Land Sdn Bhd, the holding company of the Management Company.
- (ii) Yeoh Tiong Lay & Sons Holdings Sdn Bhd ("YTL SH") is a major shareholder of YTL Corp and also a major unitholder of Starhill REIT by virtue of its major shareholdings in YTL Corp, YTL Power International Berhad ("YTL Power"), Business & Budget Hotels (Kuantan) Sdn Bhd ("BBHK"), Megahub Development Sdn Bhd ("MDSB"), East-West Ventures Sdn Bhd ("EWW") and Syarikat Pelancong Pangkor Laut Sendirian Berhad ("SPPL").
- (iii) Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay is a major shareholder of YTL SH and also a major shareholder of YTL Corp by virtue of his major shareholdings in YTL SH. He is a major unitholder of Starhill REIT by virtue of his major shareholdings in YTL SH, YTL Corp, YTL Power, BBHK, MDSB, EWW and SPPL.

(YTL Corp, YTL SH and Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay are collectively referred to as the "Interested Major Unitholders")

- (iv) YTL Power, BBHK, MDSB, EWW and SPPL are unitholders in Starhill REIT and persons connected to the Interested Major Unitholders.

- (v) Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Dato' Yeoh Seok Kian and Dato' Mark Yeoh Seok Kah, who are directors of the Management Company and YTL Corp, are the sons of Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay. Tan Sri Dato' (Dr) Francis Yeoh Sock Ping is also a unitholder of Starhill REIT.

- (vi) Yeoh Keong Shyan, who is a director of the Management Company, is the son of Tan Sri Dato' (Dr) Francis Yeoh Sock Ping.

- (vii) Dato' Hj Mohamed Zainal Abidin Bin Hj Abdul Kadir, who is a director of the Management Company, is a major shareholder of the Management Company.

(Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Dato' Yeoh Seok Kian, Dato' Mark Yeoh Seok Kah, Yeoh Keong Shyan and Dato' Hj Mohamed Zainal Abidin Bin Hj Abdul Kadir are collectively referred to as the "Interested Directors")

The Interested Major Unitholders and Interested Directors will abstain from voting in respect of their direct and/or indirect unitholdings in the Trust (if any) and undertake to ensure that persons connected to them abstain from voting in respect of their direct and indirect unitholdings in the Trust on Two-Third Resolution 1.

- (3) **Two-Third Resolution 2 – Proposed Amendments to Other Clauses**

The Proposed Amendments to Other Clauses aims to:-

- (a) effectuate the change of the Trust's name from "Starhill Real Estate Investment Trust" to "YTL Hospitality REIT";
- (b) align the Principal Deed with the applicable laws, regulations and guidelines governing real estate investment trusts;
- (c) allow the Trust to be managed more effectively by the Management Company; and
- (d) provide for amendments which are administrative and/or technical in nature.

None of the directors of the Management Company, major shareholders of the Management Company, major Unitholders of the Trust and persons connected to them are interested in the Proposed Amendments to Other Clauses.

- (4) **Ordinary Resolution 1 – Proposed Unitholders' Ratification**

Ordinary Resolution 1, if passed, would ratify the Management Company's past actions of providing a lesser number of fund reports than required under the Principal Deed which contained higher reporting requirements than the REIT Guidelines. The inconsistency in reporting requirements between the provisions of the Principal Deed and the REIT Guidelines will be eliminated upon the relevant amendments contemplated by the Proposed Amendments to Other Clauses in the Two-Third Resolution 2 being approved by the Unitholders and the Restated Deed being registered with the SC.

The related parties of the Management Company, namely the Interested Major Unitholders and Interested Directors, will abstain from voting in respect of their direct and/or indirect unitholdings in the Trust (if any) and undertake to ensure that persons connected to them abstain from voting in respect of their direct and indirect unitholdings in the Trust on Ordinary Resolution 1.